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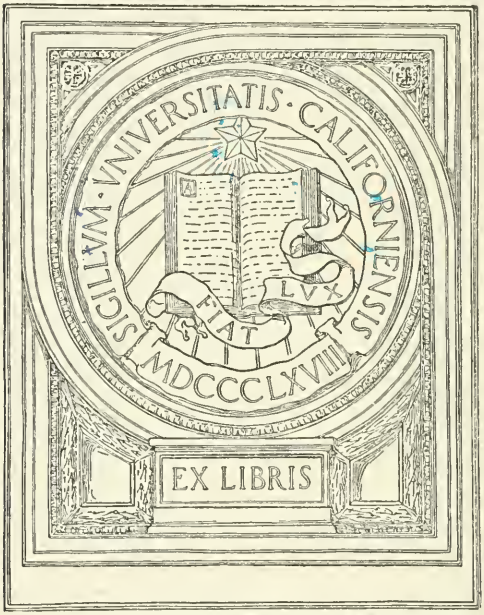

MODERN SOCIALISM

MODERN SOCIALISM

AS SET FORTH BY SOCIALISTS
IN THEIR SPEECHES, WRITINGS,
AND PROGRAMMES

EDITED, WITH AN INTRODUCTION, BY

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PREFACE

A BOOK like the present could not possibly be completed on its English side without the kind co-operation of many English Socialists. For permission to reprint important matter which has appeared otherwise, I am deeply indebted to Mr. and Mrs. Sidney Webb, to the literary Trustees of William Morris, to Mr. J. Keir Hardie, M.P., and to Mr. John Burns, M.P., to the Fabian Society, to the *Labour Leader*, Limited, and to the *Clarion* Newspaper Company.

For the foreign translations I am personally responsible, except in the case of the extract from Kautsky's "Social Revolution." For this I am indebted to the kindness of Mr. J. B. Askew and the *Twentieth Century Press*, whose translation of the whole work has laid every English Socialist under a sensible obligation.

But for Mr. Askew, very little translation from foreign Socialist writers has been attempted since that of Marx's classical works in the 'eighties. One result of this, and of the limited currency of conscious Socialism in England, is that the translator has no cut-and-dried vocabulary. Words like "proletariate," "proletarian," "bourgeoisie," "bourgeois," lack in English the everyday actuality which their equivalents

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in French and German possess, and it is a question whether to use them. I have used "proletariate," "proletarian," without hesitation, only regretting that the antithesis between them and "capitalists" has not more generally replaced in English the meaningless one between "poor" and "rich." "Bourgeoisie" and "bourgeois" are more doubtfully adopted; the objection to substituting "middle-class" is, that Socialists do not treat the bourgeoisie as anything intermediate, but essentially as one of two parties to a duel. The poverty of English in words expressing the general conceptions of sociology is not confined to English Socialism. We had to borrow "Philistine" from Germany, and we have still no equivalent for "rentier."

English people interested in Socialism may miss a reference to certain movements, which in this country are its allies, though elsewhere sometimes its rivals—such as "Christian Socialism," or the tendencies expressed by Carlyle and Ruskin. To treat these upon a European scale, however, would have meant going very far afield without really increasing knowledge of Socialism *per se*. I have, therefore, with some regret, left them wholly on one side.

In conclusion, I must thank a great number of friendly advisers, not all Socialists, for much friendly advice and assistance.

October, 1903.

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GENERAL INTRODUCTION

SOCIALISM has too long and varied a history for its study, with that of the different national problems which it implies, to be profitably attempted as a whole within short compass. Some standpoints for abstraction must be selected. In this volume there are two; and the subject is the *political* Socialism of the *present*. It is, of course, impossible to know the present without knowing something of its antecedents; but the antecedents illustrated here are introduced rather for that reason than for the sake of mere antiquarianism. Thus Marx, Engels, and Lassalle appear in this volume; but the important thing for its purposes is not what they actually meant to teach, so much as what the modern Socialist politicians of France, Germany, Belgium, Italy, or England have learned from them.

Modern political Socialism.

There are two advantages in this method. On the one hand, Socialism is a faith whose part in politics was never so great as it is to-day, nor ever seemed surer of an important future; on the other, the political Socialism now confronting the world is singularly little realized by English politicians. The majority of them still confuse it with a Socialism of sixty years ago, and chiefly appreciate in that the picturesque crudities which have not lasted.

This ignorance is the less excusable, because the Socialist parties regularly do a thing which no others do—formulate a written programme. Of these a considerable number are made available to English readers in the present volume. They may, of course, be read with some reserves, especially where not recent. But the oldest here

Its programmes.

given, the Erfurt Programme of the German party, only dates from 1891; and although, if it were now re-examined, many points in it might claim revision, they are insignificant beside what would still be unanimously upheld. Each programme declares certain principles, and appends to them a list of "immediate" reforms. These lists repay study, and if, perhaps, they strike an English reader as slapdash, he should remember the Continental aversion to shackling the legislator by forecasting legislation in detail.[1] The foreign programmes have, in fact, been threshed out and voted upon by large assemblies democratically representing very large organized parties.

Its extent in Europe.

Let us here first briefly review the extent of Socialism in Europe. For this we may usefully classify Continental countries into those which have representative democratic Governments and those which have not. Among the former may be reckoned France, Italy, Switzerland, and Denmark; among the latter, Germany, Austria, Spain,[2] and Russia. Belgium, Holland, and Sweden we might class as "mixed;" their Governments are essentially Parliamentary, but not democratically representative.[3] Obviously, Socialists are in a different position in the democratic and undemocratic countries. In the former they can at once exert influence in proportion to their numbers; can profitably agitate for reforms one at a time; can negotiate with and even enter the Governments. In the latter they cannot; their only immediate aim must be to multiply their numbers as a party, and for this a hard-and-fast aggressive programme and uncompromising resistance to their arbitrary Governments have been found of most service. Here, too, their organization cannot lose sight of an ultimate appeal to

[1] Cp. Sir C. Ilbert's *Legislative Methods and Forms*, chaps. iii. and xi.

[2] Spain has nominally a liberal franchise, but its operation is an acknowledged farce.

[3] Belgium is the nearest to being so, but a system of privileged plural voting has still to be surmounted by a working-class party.

force, not, perhaps, to instal Socialism, but to instal preliminary democracy; which has not been won without force, or the threat of force, in any modern State. They tend, therefore, in undemocratic countries to be the more numerous, united, doctrinaire, and imposing, and in democratic countries to be fewer, less united, less uncompromising, but more constructive and more influential.

France.

In France, Italy, and Denmark, Socialists have for some years inspired and dominated the Government.[1] In 1899 the Dreyfus case was skilfully used by M. Jaurès, leader of the French Socialist party, to effect a working agreement between the Socialists and other democratic parties in France, whence issued the Waldeck-Rousseau Cabinet, with M. Millerand, a Socialist, for its Minister of Commerce. The Cabinet lasted from June, 1899, to June, 1902, when, after winning a general election, it gave way to the very similar Cabinet of M. Combes, also dependent on Socialist votes, although not including a Socialist. Both Cabinets have been fertile from the Socialistic standpoint.

Italy.

In Italy,[2] in February, 1901, a similar situation was realized by the Zanardelli-Giolitti Government, which contained no Socialists, but depended on Socialist support. The negotiating parties were Signor Giolitti on the side of the Government, and Signor Turati on that of the Socialists, and the result was a Socialistic policy which may fairly be said to have changed the face of Italian

[1] In France this policy has provoked a Socialist split, two sections under MM. Guesde and Vaillant having left the "French Socialist party," and, finally, coalesced into the (much smaller) "Socialist party of France." In Italy there has not been a split, but there have been extremely violent dissensions.

[2] The Italian Socialist party is of recent but very rapid growth. It sent to the Chamber in 1895 eight deputies, in 1897 sixteen, and in 1900 thirty-three. In 1900 it captured control of no less than 1268 municipal and communal councils. A remarkable law, passed since by the Zanardelli-Giolitti Government, has given Italian local bodies facilities for developing municipal Socialism which are unique.

administration.[1] This came partially to an end in June, 1903, when the Socialists, perhaps prematurely, broke away, and Signor Giolitti resigned office. In Denmark, during the same period, the Socialists supported, to their advantage, the Radical Government of Professor Deuntzer. Shortly before the general election of June, 1903, they broke off relations, and in the election polled 29 per cent. more votes than in 1901.[2] In all these three countries very remarkable experiments in Socialistic legislation and administration have been initiated. In Switzerland Socialists are prominent only in the towns, especially Zürich,[3] and their *forte* is municipal Socialism. In 1901 their national party organization absorbed the chief non-Socialist workers' organization, the Grütli, and has since made progress.

Denmark.

Turning to the undemocratic countries, the first to consider is, of course, Germany. The State Parliaments and the town councils are elected on very undemocratic bases, and few Socialists figure on them. The exception is the little state of Hesse, where, however, their activity, though interesting, cannot compare with those we have mentioned. The imperial Reichstag is elected by universal suffrage, but its active power is nearly *nil*, and its composition is vitiated by an obsolete distribution of seats.[4] The remarkable votes polled at Reichstag elections by the Social Democrats[5] are indications,

Germany.

[1] For a recent summary of some of its labour measures, see an article by Mr. Bolton King in the *Economic Journal* for September, 1903.

[2] In 1895 eight Danish Socialists were elected to the Folkething, in 1901 fourteen, in 1903 sixteen. An exceptional feature of the party is its strength in rural districts.

[3] They have (1903) thirty-nine representatives on the cantonal council of Zürich.

[4] The constituencies have not been altered since 1869, when Germany was still mainly agricultural. Hence the Social Democrats, whose strength lies in the new great towns, are under-represented. In 1898 each of the 56 Socialists elected was returned on an average poll of 37,626 votes, each of the 110 Clericals by 13,228, each of the 54 Conservatives by 15,911, and each of the 47 National Liberals by 20,666.

[5] In 1877 they polled 493,288 votes; in 1881 (under the first pressure

therefore, of the power which they ought to have rather than of any power which they have got. The Social Democrats are in the position of seeing their immense hold on the masses of the people officially recorded every five years; they have in the Reichstag a public platform, on which they can criticize and expose the governing class with all the great ability which many of them possess; but they cannot legislate or administrate an iota. The position is very bad for them, the barren irritations of a standing injustice being substituted indefinitely for the fruitful if sobering effects of governmental experience. German superior intelligence, and in particular the German workman's exceptional readiness to think things out, has preserved their political sanity; but it is idle to expect from them the Protean constructive genius called forth in Socialism by democratic opportunities. Closely allied to them is the Austrian party.[1] In the industrial districts, especially in Bohemia, it is numerically strong, although no such record of its numbers is available as afforded in Germany by the Reichstag elections. Its leaders show favourably among Austrian party politicians, and have displayed skill in dealing with the Austrian race difficulty. As theorists they have been helped by distinguished University professors; one need only name in this connection Schäffle and Anton Menger. Thirdly must be considered Russian Socialism. Its existence in Russia is, of course, wholly underground, and it consequently tends to be violent and non-constructive. There is evidence that its propagandists affect widely the new class of Russian industrial workmen and direct many of their ebullitions. But its chief known influence is that exerted by Russian exiles in Western Europe. These include a surprising number of able men; but their ideas, conceived with reference to a despotic

Austria.

Russia.

of the Anti-Socialist Law) 311,961; in 1890 (the year of its repeal) 1,497,298; in 1898 this rose to 2,107,076; and in 1903, to 3,008,000.

[1] There is a separate party in Hungary, of long standing, but restricted by the small scale of urban industry.

and agrarian environment, are not always of service to industrial democracies. Lastly, we must note Spain, the one country where Socialism seems eclipsed by Anarchism among working men. It would seem that an utterly corrupt Government blights Socialism more than an utterly despotic one, because it discourages all faith in political activity. Among middle-class parties, however, the Spanish Republicans go far in the Socialistic direction.

Spain.

Coming to the three States—Belgium, Holland, and Sweden—which we classed as "mixed," we find Socialism in each with a strong hold on the urban proletariate, but held back by favoured rural voters. Far the most remarkable of their parties is the Belgian, owing to the scale of Belgian mining and manufacture, the old connection of Brussels with the International Working Men's Association, and the country's central situation between French, German, and English influences. Workmen of genius and brilliant "intellectuals," co-operators, trade-unionists, jurists, economists, artists, and notable authors, all work harmoniously in its ranks, and perhaps it is the one Socialist party in which "reformists" and "revolutionaries" rather complement than curtail each other. In Parliament, although the weightiest opposition party, it can as yet take no part in government; but it has done a great constructive work outside by focussing co-operation, trade-unionism, and Socialism into a single movement. It tries to fight the worker's battle all round—as consumer, producer, and citizen; its methods are not unique, but their co-ordination is, and the effort at popular training and culture which goes with them. In matters of theory the Belgians have particularly pioneered the agrarian question. They formulated an agrarian programme as long ago as 1893, whereas neither the Germans nor the French have yet done so.

Belgium.

Of the Continental situation generally it may be said that Socialism has a party in every industrial country, which in all except Spain is increasing, and in most at a phenomenal rate.

In the democracies it already lays a hand upon government; elsewhere it tends to be the backbone of the Opposition. At present it seems almost the only force, outside the reaction, which has new ideas; the older Liberals mark time, and the Radicals, who are coming to stand between them and the Socialists, borrow their novelties from the latter. Its partisans are still mainly urban, and the chief force against them is that of a Conservatism relying on rural votes. In Roman Catholic countries this force is commonly organized by the clergy.

Outside the Continent Socialism is practically confined to certain of the English-speaking countries.[1] These are the United Kingdom, the United States, and the colonies of Australia and New Zealand. The last have realized more Socialistic measures than any other States in the world,[2] and their experiences are reacting upon European theory. Every Australian colony possesses a separate Labour party, but in New Zealand Labour has amalgamated with a very advanced sort of Radicalism to form a Progressive party. The Queensland Labour party is the only one which has been Socialist in an orthodox sense; it was also until 1903 the least compromising, and has least influenced government. The others, which all grew up out of defeated trade-unionism, have squeezed their Socialistic legislation, as in France and Italy, out of non-Socialist allies. Its effect has been to emphasize the value and possibilities of the State-regulation of industry as against State-ownership in the more obvious sense. Not only have factory and workshop regulations been carried much further than in Europe, but two quite new principles have been put into practice—the State-enforcement of minimum wage-rates and the State-enforcement of industrial peace. The former was realized by the system of wage-boards, established in Victoria in 1896, and in South Australia in 1900; while both have been attained by that of

Australia and New Zealand.

[1] There is also a party in Japan, which publishes several newspapers.

[2] The standard account of them is *State Experiments in Australia and New Zealand*, by the Hon. W. P. Reeves (London, 1902).

compulsory State-arbitration in trade disputes, first devised in New Zealand in 1894 by the Hon. W. P. Reeves. Of these systems Mr. Reeves's, as amended by experience, has prevailed; and not only does New Zealand persist in it, but New South Wales (1901), West Australia (1902), and the Commonwealth Government[1] have paid it the compliment of imitation.

The United States.

In the United States Socialism is, perhaps, less forward than in any other democratic country. This seems due to the extremely individualist tradition, descended with the Constitution from the founders of the Republic, and also to the corruption of politics, for which that tradition may be partly responsible.[2] A Socialist vote is, however, growing in many centres, quickened by dislike of the Trusts; and outside it stretches a penumbra of semi-Socialist conviction, which first won recognition at the St. Louis Convention of the Democratic party in 1896. Already some of the most widely read journals find it worth their while to exploit the tendency. The high education of the American people, their liability to epidemics of thought, the extreme concentration of their industry and inequality of their wealth-production, all favour the possibility of Socialism coming to them in a flood.[3]

The United Kingdom.

There remains the Socialism of the United Kingdom. How much is there of it? A superficial observer might say none. Certainly there are few constituencies which will elect to Parliament a "Socialist" candidate, and it may be doubted whether fifty thousand electors call themselves "Socialists" in politics. Others, again, looking at our old and far-advanced factory laws, the strength of our trade-unions, the numbers of our co-operators,

[1] The Commonwealth Bill, introduced in 1903, was dropped, but with an engagement that it should reappear the following session.

[2] *Per contra*, it seems that a policy of municipalization has tended to purify municipal politics; Chicago and New York are both instances.

[3] In 1900, at the Presidential Election, about 130,000 votes were cast for the Socialist candidates. In 1902, at the elections for State Governors, nearly 300,000 Socialist votes were cast.

the progress of our municipalities towards the appropriation of public services, towards direct employment, and even (by wage clauses in public contracts) towards the fixing of a standard of life, say that without knowing it we are among the most Socialistic nations. So far as what we have achieved goes, this is probably true, or was till a few years ago; but as regards what we are, and what we are likely to achieve further, more doubt may be felt. All the developments mentioned dovetail into the Socialistic idea, and nearly all have grown from Socialist seed. But it is precisely the inner spiritual bond between them—now lacking—which is Socialism, and without a re-birth of which no Socialist can feel confidence in their future.

Socialistic theory.

The reader of this volume will not require here a long account of Socialistic theory. Summarily we may describe it as the doctrine, that whereas the means of production (capital, with land and raw materials) are as indispensable to every man's existence as his own body, society should secure for all its members an equally free access to them, by disallowing private property in them (just as it has secured for all the equally free disposition of their bodies, by disallowing slavery). Private property, as it exists, exists solely in virtue of social action, and the motive for that action is social utility. Its aim is to secure for the producer the means of production, so that he who will work may work out his own salvation. Socialists believe this aim to be unrealized by it, owing to the tendency of capital to concentration.[1] This tendency divides society into two classes—

[1] This tendency, or law, which seems valid for all industry except possibly farming, is that in adding capitals $2 + 2$ do not $= 4$, but $4 + x$, the x representing a special advantage of concentration. Thus £200 capital will enable a man to do more than twice as much as £100 would, or £200,000 more than twice as much as £100,000. x will not always be realized, but will always tend to be. Its value was enormously raised by the Industrial Revolution, and seems to be still rising. It operates inside society as a continual handicap, increasing the amounts of capital owned, and diminishing the relative number of owners.

a diminishing class who have capital and can work on their own account, and an increasing class who have not, but must sell their services—"capitalists" and "proletarians." If the right of private property in capital is secured in its absolute form (the form taught to Europe by Roman law), the proletarians are absolutely at the capitalists' mercy. They *must* work for the capitalists, for otherwise they cannot work at all, and would starve. The capitalists can make them do what work they please, under what conditions they please, and need only give even a subsistence wage so far as they fear a shortage of labour.

Socialism then asserts, that unless the capitalists' right of property is limited, the proletarian's degradation will be unlimited. Even Roman law, when it forbade the creditor to enslave his debtor, acknowledged that the State must fix some minimum, below which the capitalist cannot bargain for the proletarian to go. When Socialism advocates, *e.g.*, a compulsory eight hours' day, it proceeds on exactly parallel lines; a capitalist shall not force a proletarian to work nine hours, any more than he can force him to become a slave. Broadly this process may be termed the "expropriation" of capital. The employers have been quite logical in protesting that "a man can do what he likes with his own." As soon as the State says, "You shall not do this or that with your capital," expropriation has begun.

We should note here, though, that expropriation may take one of two forms—the State may abolish the owner, or it may abolish ownership. It does the former, whenever a railway system is nationalized or a tramway system is municipalized. It does the latter, partially, when it regulates the hours or conditions of labour, and more completely, when (as by compulsory arbitration) it fixes labour's wage. The two methods sometimes compete. Land nationalization illustrates the former,—the State becomes landlord; while a policy of land registry combines with a heavy progressive land-tax, restraints on leasing, prohibition of mortgages, and regulation of landed

inheritance, illustrates the latter,—the State abolishes landlordism. Doubts will arise as to which method is the best in particular cases; but as a rule the former only protects the proletarian as consumer, and the latter only as producer. Each, therefore, needs to be supplemented by the other. A State railway may benefit the consuming community in any case; but it only benefits railwaymen if it adopts a good standard wage policy (which, *e.g.*, the Prussian State Railways do not). A standard wage system benefits proletarian producers in any case; but they can only realize its value in consumption, if the State protects them against monopolies by intelligently nationalizing and municipalizing them.

The moral claim from which Socialism starts is that for equality of opportunity. This may be made clearer by a single illustration. Elementary education in England is Socialistic; secondary is not. Observe that neither is possible without capital—that is, proletarian children (say 90 per cent. of those reared) must in default of State action or charity go without education. The State has stepped in, and has said to every proletarian child: "You shall have elementary education; you shall have at least the 'three R's' to help you in working and in bargaining for the means to work." Socialism demands[1] an identical policy for further education. It asks that every child shall have an equal chance of it, and that his capacity shall decide how far he shall go. But under a strict operation of private property the proletarian children must have no chance at all, and the amount of education which each gets be proportioned not to his own capacity so much as to his father's capital.

Genesis of Socialism.

It is worth while in this place to give a brief glance at the historical development of Socialism prior to that contained in this volume. Modern Socialism originated about a century ago in the disillusionments following the industrial revolution, which emanated from England, and the political revolution, which emanated from France.

[1] Cf. all the programmes.

The "great industry" and the whole cornucopia of machinery suddenly increased wealth and poverty side by side in a very puzzling fashion. There is no need to recapitulate here the horrors of 1800–1850; how with the introduction of "labour-saving" machinery, men, women, and small children were worked to death, or how the textile operatives who produced a hundred times as much as the hand-loom weavers, suffered hardship where the latter had enjoyed comfort.[1] A parallel puzzle sprang out of the political revolution. This was not so much the collapse of constitutional card-castles as the failure of *égalité*—of the abolition of privilege. Privilege of wealth replaced privilege of birth, through the law of property; and through the law of inheritance restored it.

The medley of schools and parties and interested classes who tried to answer these two puzzles may be divided into two main groups—those who saw the good in the two revolutions, and wanted them carried further; and those who saw the evil, and wanted them put back. The peculiarity of the Socialists was that they saw both the good and the evil, and could not therefore go whole-heartedly with either party. Tories of the type illustrated in England by Southey or Lord Shaftesbury were in sympathy with the Socialist policy of regulating the factories. Radicals of the Utilitarian school were in sympathy with their extreme democracy and with the faith which nearly all Socialists have always had in the economic soundness of the new methods of industry. But the Tories could not accept what might have won the Radicals; and the Radicals could not accept what might have won the Tories. Hence while the Socialists got some help from both parties, they were generally viewed as Ishmaels by both—a curious fate for men so incurably benevolent as their founders, Owen and St. Simon.

[1] That the hardship became starvation was referred by its sufferers to taxation, Protection, and particularly the Corn Laws. The same sufferers remained unanimous that their diagnosis had been correct after its remedy, Free Trade, was applied.

The effect of their finding themselves thus awkwardly outside the political pale was that the early Socialists became Utopians. They were not "unpractical" men in quite the ordinary sense; Owen, for instance, was the largest manufacturer of his time. But in the existing party situation they almost despaired of capturing, except for special objects, the State machinery; and easily fell into the error of thinking that they could act for themselves. Their most obvious resource was to form co-operative units of producers. Owen knew that, though cotton operatives were paid very badly, cotton mills paid very well. Why not work a mill by an association of men, who should agree to share gains pretty equally, instead of making one man a millionaire and the rest paupers? Better still, why not form a settlement of many such associations working at different industries and exchanging the products in proportions measured by the labour-time spent on each? This solution, in different forms, haunted Socialists for long. Sometimes the idea was to set up the co-operators in new lands as fresh nations, sometimes to plant them in existing societies which they should be in, but not of. Owen himself tried both experiments. The constructive idea of Fourier—his "phalanstères"—has the same root. Louis Blanc, noting that though workmen might agree to do without an employer they could not do without capital, proposed that the State should loan them capital. This proposal (revived by Lassalle, in 1862–64) shows Utopianism forced back, in spite of itself, upon politics.[1] The least Utopian of early Socialists was, in some respects, St. Simon. The importance of studying in history the action of classes, the notion of changing the State itself from a police State to a director of industry, and the idea of Internationalism, are all to be found in his writing; and if he

Utopian Socialism.

[1] It is the Utopianism of co-operation which has endeared it to the "Christian Socialists" of different countries, who otherwise have very few points in common. Their leaders have welcomed it as a way of improving society without disturbing politics.

did not found a party, he tried to found a church. Owen's activity was, by contrast, fertile rather in its by-products. At New Lanark he showed what a factory and a factory village could be like. And he was the father of factory legislation as well as of co-operation and trade-union federation. With the passing of the first Factory Acts Socialism began to be *realized*. As Marx said later, "The Ten Hours Bill was not merely a great practical success; it was the victory of a principle." [1]

Marx and Lassalle; their epoch-making influence.

The interest of the Utopians is now academic, and nothing further will be found of them in this volume but an extract from Bebel's *Charles Fourier*, indicating the differences between their Socialism and that of modern politicians. The authors of the newer standpoint were Karl Marx (with Engels) and Lassalle; through whose medium, rather than at first hand, whatever now survives of their predecessors' influence, survives. Their ideas made an epoch, because with them two decisive qualities first came to the front in Socialism—the scientific and the political. The change may be in large measure traced to Hegel, from whom both Marx and Lassalle learned the evolutionary view of history and the organic view of society. Both were men of great learning, by whom the immense work done by economists, historians, and jurists in the first half of the nineteenth century was appreciated and utilized. Both also were, though with differences, born agitators. With "the white steel of science" [2] they set themselves to seek the *naturnothwendig*—what by the natural laws of social development must be [3]—and to design a policy

[1] The dictum has been taken by Bernstein as a motto for his *Die Voraussetzungen des Sozialismus*.

[2] Cp. *infra*, p. 45.

[3] Both were Jews (like Ricardo), and have been reproached with "Semitic logic"—Marx the oftener, Lassalle the more justly. Marx's race, perhaps, comes out in the habit of expression, by which he continually presents concrete for abstract, fact for tendency, symbol for thing symbolized—a mere vividness of thought easily mistaken for crudity. Cp.

as a modern engineer designs a breakwater, so that the currents it breaks actually strengthen it by their pressure. And with the agitator's political instinct they set themselves to build a new party, by bringing into the political arena as a new conscious element the proletarian class.

Socialism took several decades to come round to the Lassalle-Marxian point of view, but for most European countries the process was completed in the 'eighties. Since then its internal history has been that of a bifurcation in each country into two schools. The one is called "Revolutionary" or "Marxist," the other "Possibilist," "Opportunist," "Revisionist," "Fabian," "Ministerial," "Reformist,"—the last term being the most exact and comprehensive. Non-Socialists like to emphasize the difference between them, but seldom understand its bearings. "Revolutionary Socialism," one sees newspapers say, "is becoming a party of peaceful reform." The revolutionaries are supposed to be non-Parliamentary, to wish to replace the methods of democratic constitutionalism by some dimly conceived method of violence; the reformists, on the other hand, are said to be really mere Liberals, men who have found Socialism worthless, and gone back on it without having the courage to say so. Neither of these views will survive an examination of the facts; the difference between the two schools, although profoundly interesting, is not so bald and elementary.

Revolutionary and "Reformist" Socialism.

In the first place, the revolutionary Marxists are a constitutional and Parliamentary party. The gospel of violence was not Marx's but Blanqui's; and though Marx played with it, notably at the time of the Communist Manifesto, it is one of his great merits that he saw the indispensableness of constitutionalism to democracy and to a constructive revolution. Lassalle's splendid suffrage-agitation in Germany drove home

for a striking corroboration of this as a Semitic trait, Renan, *Vie de Jésus*, c. xviii. (*e.g.* "des habitudes de style dont le caractère essentiel est de prêter à la métaphore, ou pour mieux dire à l'idée, une pleine réalité").

the idea, and after the tragedy of the Paris Commune in 1871, the notion of promoting Socialism by violence yielded everywhere to that of capturing constitutional machinery—except in countries like Russia, where no such machinery exists. Between Kautsky and Bernstein, Guesde and Millerand, Ferri and Turati, Mr. Hyndman and Mr. Sidney Webb, there is no essential dispute as to the expediency of Socialists entering Parliaments or other popularly elected bodies. Nothing is more typical of the Marxist leaders in Germany than the almost sacred importance which they teach the workers to attach to the vote, and the tenacity with which they defend such Parliamentary privileges as belong to the German Reichstag. The only non-Parliamentary political method which survives is that of the general strike. But its adoption has been practically confined to countries where an undemocratic franchise or system of constituencies renders the capture of elected bodies impracticable, and in nearly all cases it has been adopted on purpose to remove these restrictions, *i.e.* to render itself superfluous for the future.[1] The only country with a democratic machinery, where further importance is attached to it, is France; this is perhaps because the memory of Napoleonic *plébiscites* still weakens French confidence in the ballot-box.

In the second place, the reformists have not abandoned Socialism. They have not come round to *laisser-faire*, because their campaign against it has been worked out more in detail. In principle they remain very close to Marx—how close may be seen in this volume, if Mr. and Mrs. Webb's preface of

[1] Its most successful employment was in Belgium in 1893, when it secured the abolition of a narrow property franchise, and enabled thirty Socialists to be at once elected to a Chamber which previously contained none. In 1902 the Belgian Socialists again employed it in the cause of franchise reform, but failed; an almost contemporary effort in Sweden was rather more successful. On these latter occasions the orthodox organs of German Social Democracy expressed themselves as very doubtful of the method. The general strike in Holland in 1903, in which the Socialists played a leading part, would scarcely have occurred had the Dutch Parliament been representative.

1902, or M. Millerand's St. Mandé speech, be compared with Liebknecht's Marxian speech at the Erfurt Congress. Their innovation is primarily in tactics, though it reacts intricately upon theory. A party, whose programme comprises more than one reform, may be impressed either with the value of doing the many things simultaneously as a system,[1] so that by concurrence they help each other's operation, or with that of doing them successively piecemeal, so that each paves the way for the other. Marxism, with its love of system, takes the former view; the reformists take the latter. Again, as we have seen, Socialism is essentially an appeal on behalf of the interests of one class, the proletarians, against what the other, the capitalists, conceive to be theirs. Socialists can either emphasize this contrast, the Class-War, and rely wholly on conscious proletarian support, or they can take the line rather of reconciling the opposition in a higher unity, the Solidarity of Classes, pleading with the capitalists that they have misconceived their interest and that the true interest of all the community is that of the workers. Obviously the Class-War is adapted for leading up to the simultaneous method, and the Solidarity of Classes for carrying out the successive. As between the methods, each has pretty evident pitfalls. The revolutionary may lead to a sterile propaganda of hate; the reformist may dissipate itself in demoralizing compromises, and find all its adherents either bought off or disgusted *seriatim*. But as between the ideas, much can be pleaded for each. English tradition, of course, is utterly in favour of successiveness. But the simultaneous idea has a growing importance, the more complicated society becomes, and the more impossible it is to disturb one part without creating a need for rectification in another. The greatest historical achievements of English successiveness occurred at simpler stages of society than to-day's.

[1] This does not of course mean in a single "catastrophic" day or by a stroke of the pen, but it does mean by a Socialist Government which has definitely attained power and can handle its programme as a whole.

It seemed desirable in this volume to give excerpts from one of the many general discussions between revolutionaries and reformists, which have occurred in the great European parties. For this purpose the Millerand debate at the Bordeaux Congress of the French Socialist party has been chosen. The alternative would have been a Bernstein debate of the German party. But for several reasons Bernsteinism has been kept out of this volume. In the first place, Herr Bernstein, though a brilliant thinker, is not a brilliant politician, and has hardly any "following" in the strict sense.[1] Secondly, his gospel is cast in the form, largely, of a criticism upon Marxian details, which few English readers could appreciate. Thirdly, most of its ideas are imported and adapted from those of foreign democracies, by turning to which we can get them more at first hand. The Bordeaux debates are pervaded by a thoroughly French genius for seizing the essential; and throw, too, into valuable prominence the particular position of M. Jaurès. He, though classed as a reformist, is really a synthetizer, trying to combine adroitly the best of both schools. While accepting a solidarity of classes, he insists that the operation of a conscious organized proletarian class is indispensable in politics. While pursuing reforms step by step, he insists that the steps shall always be presented to the electorate as part of a staircase. While defending alliances with other parties, he has always insisted that the Socialist party must remain a separate one. In these respects his method differs from that of many kindred English progressives more fundamentally than they are always aware. And it has been more successful.[2]

Herr Bernstein.

M. Jaurès.

[1] Those leaders of the German party, such as Von Vollmar and Auer, who, in greater or less degree, sympathize with him, are not disciples. The germs of all Von Vollmar's reformism may be found in his own speeches before Bernsteinism appeared. Bernstein may have fortified them by some arguments, but he has weakened them by his lack of the tactical sense.

[2] At present the achievement and prospects of Socialism in France are probably the best in Europe; and this, although the episode of the Commune

We will outline the theoretical differences between the two schools, by comparing their attitudes towards the chief issues —Nationalism (with whose aggressive aspect we may often identify Imperialism), Clericalism, Protectionism, and Agrarianism—opposed to Socialism, and towards its principal ally, Trade-Unionism.

Marxian Socialism was in its genesis international, non-religious, Free Trade, and urban. Its attitude towards national and religious differences was purely negative; they were to be ignored, lest they should divert attention from the all-important issue between capitalists and proletarians as such. The Internationalism resulting from this has often taken practical and very noble forms; it is sufficient to recall the protest of Liebknecht and Bebel against Bismarck's annexation of Alsace-Lorraine. Outside the Socialist ranks Nationalism in one form and another has meantime been growing, being evidenced particularly by an unexampled increase in all national armaments and an unexpected persistence of the militarist spirit. Against armaments and against militarism the protest of the revolutionary Socialists has everywhere been of the most strenuous. It is in general echoed by the reformists, but with less assurance. The concrete spirit of reformism, which is careful of national peculiarities in its domestic politics, cannot overlook them wholly in foreign affairs. Moreover, its insistence on the Solidarity of Classes and the all-round interests of a

Socialism and International-ism.

in 1871 almost annihilated it, and it has revived in face of an opposition —from *laisser-faire* theorists and from Roman Catholics—to which none in England is comparable. In the latter country a whole-hearted devotion to opportunism and piecemeal reform has, since 1895, been virtually fruitless. Reference, *e.g.*, to the programme for the London County Council formulated by the Fabian Society in 1895, shows that not one of the more important of its nineteen desiderata have been secured, and many of the most important have been decisively negatived. The majority of the Council itself would at any time have endorsed them almost *en bloc;* but the omission to educate the electorate into a systematic view made it easy for Parliament, including the London members, to ignore them.

community tends to substitute a national corollary for the international one of the Class-War. Thus in Germany Herr Bernstein has reminded the extreme anti-militarists, that national Germany is the vessel of a certain culture, which some of her military rivals (*e.g.* the Slavs) do really threaten. An analogous course has been taken in France by M. Millerand. The furthest instance of this tendency was the argument of a few leading English Fabians who supported the South African War. They urged that Imperialism and Internationalism were really the same, since both deprecated the separatism of small nations. This was not unlike arguing that theft and voluntary communism are the same, since both operate against private property. Plainly such arguments only appreciate the negative sides of Imperialism or of theft, and ignore the *animus* of the agent. Nor does Imperialism become less Nationalist by being pleaded as promoting Civilization. The essence of Nationalism is that the members of each nation believe their national civilization to be Civilization. Perhaps the sanest and most central line on this, as on many other questions, has been that inspired by M. Jaurès. He has not ceased to profess a warm French patriotism, while putting extreme pressure on the French Government in the directions of international equity and European disarmament.

Socialism and Clericalism.

A slighter divergence has occurred on the Clerical question. The orthodox Socialist policy, that religion is a purely private concern, is much strained by the anti-Socialist activity of the clergy in many, chiefly Roman Catholic, countries. It lets the Socialist insist on secularizing education and stopping the State-salary which many States give in one form or another to their clergy; but it forbids him to attack this or that religion as such. It has tactical as well as theoretic advantages, and its more rigid observance by German Socialists in recent years has won for them at last a considerable number of Roman Catholic voters. Whether the French Socialist party has violated it by backing M. Combes must be matter of

opinion. The stiffer Marxians incline to think that they have.[1]

Socialism and Protection.

The attitude of Socialism to Protection has not been fully theorized. The main argument of the classical economists against it—the economic waste and inefficiency which it involves—is one which disciples of Marx or Lassalle should, logically, appreciate, though it is uncertain how many have taken the trouble to do so. European Socialists are Free Traders largely for obsolescent reasons. One is the historical influence of the English Anti-Corn Law agitation, which for many generations of agitators remained the model of a successful popular movement.[2] Another is the fact that Socialism, like Liberalism, sprang from the towns, while the kernel of European Protection has always been agrarian. A third, very powerful abroad, has been the extreme theory of class war. If it overrides all other wars, if the employing and employed classes can have no solidarity of interest against foreigners, no argument for Protection is possible. Reformist Socialism, with its note of the solidarity of classes and "national interests," may be expected to compromise on Free Trade as it does over Internationalism.

On the other hand, practical Socialism at the Antipodes is fiercely Protectionist. Local circumstances partly explain this; but there are also some general affinities between Socialism and Protection, as between *laisser-faire* and Free Trade. Both the latter tend to take the standpoint of the individual consumer, and ask for what is cheap to him. For Socialism the consumer is the whole community, in whose life the lives of producers as such are a great factor; and in measuring cheapness it takes account of the conditions of production. These

[1] An important symposium on the whole subject appeared in 1903 in *Le Mouvement Socialiste*, much of it being afterwards Englished in the *Social Democrat*.

[2] As such it dazzled Lassalle (cf. *infra*, p. 46), while upon Marx its impression was deepened by his residence in England.

might in various ways turn its scale. It might be biassed towards maintaining particular industries, *e.g.* agriculture, which benefit national health and physique. It might object to seeing industries, where it has established good wages and conditions of work, undercut by foreign competitors, who reap the individual advantage of neglecting such things. Lastly, it might object generally to the fluctuations of and changes in industries, which Free Trade and its correlative, the world-market, might be supposed to increase. The last point is one in which a very characteristic opposition between the Socialists and the *laisser-faire* school is involved. The latter have not always recognized, that while in the abstract capital and labour are infinitely plastic, in the concrete form of specialized machinery and trained workers they are painfully the reverse. The struggle for existence between industries is one aspect of the larger struggle, which the *laisser-faire* school accepts as evolutionary, but whose terrible cost leads the Socialists to ask, how far the results justify the process.

Very few European Socialists have faced these difficulties. They see that under present conditions the money advantages of Protection, for which all pay, go mainly into the pockets of the very few, as landlords or employers. This settles their policy satisfactorily for present purposes. But where a Socialist system of State-owned land and State-controlled industry comes in, fresh thinking will be needed. Almost the only Socialists—prior, at least, to the present English controversy—who have broken this further ground are Mr. and Mrs. Sidney Webb. But their remarkable defence of Free Trade, which will be found in this volume, is confined to the problem of maintaining a standard of life, and does not go into that of minimizing industrial dislocation.

Still, it would be a mistake to suppose that industrial dislocation has not seriously engaged Socialist attention. Marxists may feel a sort of triumph in seeing crises of unemployment testify, as they think, to the failure of Individualism; yet they have to do their best for the unemployed. And in Germany,

where latterly the crises have been worst, scarcely any Socialists have been tempted to seek their remedy in Protection. On the contrary, the Social Democratic party has been the strongest champion of the cheap loaf. They see that the Protective tariff in raising prices has not equalized employment. On the contrary, it seems, as in the German steel and iron industries, to have accentuated the crises, by encouraging a speculative manufacture for export. So far as regards the industrial equilibrium, a high and rising protective tariff has been accompanied by greater instability than ever. In the face of these stubborn historical facts the German Social Democrats have maintained as their programme, "abolition of all indirect taxes, customs, and other politico-economic measures which sacrifice the interests of the whole community to the interests of a favoured minority."

Socialism and Agrarianism.

The nearest approach to a *volte-face* which Socialists have attempted since Marx has been in relation to Agrarianism. We have noted how largely the resistance to Socialism on the Continent depends, electorally speaking, on the peasants. Marx thought that the advantage of concentrating capital would be felt in agriculture as in other industries; but in spite of a temporary confirmation of this view by the mammoth farms which sprang up in Western America, it now appears very doubtful. Figures for or against the persistence of peasantry are conflicting; but at any rate great numbers of peasants remain. Two questions have been intertangled—that of *owning* land on a small scale and that of *cultivating* it on a small scale. Perhaps the matter of owning has been exaggerated by Socialists; for where there are freely alienable peasant plots, economic rent may be largely neutralized through the land being divided, not into units of area with differing values, but into units of value with differing areas. Unless, therefore, accumulation and private landlordism come in, State-landlordism seems no advantage. Cultivation, again, does seem to follow laws other than those of manufacturing industry, which lessen the

possibility of ordering things to be done by rote, and enhance the value of individual attention and skill.[1] Recognition of this has led reformists to substitute a policy of actively assisting the peasants for the orthodox policy of leaving them to succumb to capitalism. Their formula is: "Collectivize credit, transport, exchange, and all subsidiary manufacture, but individualize culture." What reinforces the last clause from another side is the enormous difficulty of regulating employment in culture. A regular eight-hours' day for cultivators in Europe scarcely seems practicable; and effective inspection would be very hard. The "self-employment" of the peasant might help to solve this.

The policy of championing the peasant has important champions in France and Germany, though not the acknowledged party policy in either.[2] The lines which it would follow have been largely indicated by practice in Denmark, and in certain British colonies. In England it hardly seems to have been heard of, and English Socialists, who are almost exclusively urban, continue to view Irish land-purchase or English small-holdings schemes with suspicion. Over against it the more orthodox Socialist view still develops with great vitality; its most brilliant, up-to-date, and elastic exponent is, perhaps, the Belgian leader, M. Vandervelde.

Most typical of the difference between revolutionaries and reformists is their attitude to trade-unions. The Marxian view came out well at the German party's Cologne Congress in 1893, and may be read in a speech made by Liebknecht on its morrow at Bielefeld. It recognizes their achievement; Liebknecht in the speech cited extolled the English coal-strike

[1] Manufacture is making things; agriculture is watching and tending things (plants and animals) which make themselves. The latter must deal constantly with the unpredictable variations of organic growth and the natural influences (weather, etc.) which react on it.

[2] In Germany it was first brought to the front by Herr von Vollmar; for its subsequent history cp. *infra*, pp. 219–227. The French advocacy of it may be well seen in some remarkable articles by G. Sorel, *Revue Socialiste*, March and April, 1901.

then in progress, and not only brought out the militant advantages of combining German political, and English trade-unionist organization, but showed himself partly conscious that trade-unionism might not be superseded by Socialism even when victorious.[1] But it feels that trade-unions, as they exist, often supplant and delay Socialism, and it only trusts them under reserves. Whereas reformist Socialism thinks them stepping-stones, and is all for them. It has theorized their function in Socialist society with more care than the Marxians.[2] What it does not fully see, or at least fully acknowledge, is that while the trade-union which it desiderates is not the trade-union which in Europe exists, the gulf between them can only be bridged by a revolutionary alteration [3] of the very ideals which the existing trade-union most strongly fosters.

Socialism and trade-unionism.

England is the classical land of trade-unions, and the absence of a working-class Socialism in it may be attributed more to the course followed by them than to any other single fact. They consolidated their power over the English working-class in the middle third of the last century. At that time they were non-political in the sense of having no preference as between Tory landlords and Liberal capitalists ; but in much they were political bodies. The Socialists on their side were willing that trade-unionism should develop rather as a State within the State than as a party within it. Germans, whose existing undemocratic States seemed incapable of being ever fitted for Socialist uses, hoped that the new working-class organizations might supplant rather than transform. Marx

[1] By no means all revolutionary Socialists have yet advanced thus far. For a much narrower view of trade-unions see Ferri, *Associazioni operaie è Socialismo* (Rome, 1902).

[2] The works of capital importance are Mr. and Mrs. Sidney Webb's *History of Trade Unionism* and *Industrial Democracy*. The last chapter of the latter embodies perhaps the last point yet reached in speculation.

[3] In Australasia sensational union-smashing brought such a revolutionary alteration about, while Socialism from Europe helped to shape its issue.

inclined to this view at the end of the period, after a long experience of trade-unionism in it.[1]

But with the Trades-Union Acts of 1871 and 1875 came a change. England legalized *private collective bargaining*, and the unions had not to be political to be able to exist and function freely. Their success now depended on their including all possible fellow-workmen irrespective of politics, and this was a motive for being non-political. Private collective bargaining grew vastly, and was developed by trade-unionists into a method, whereby they thought that the working-class could satisfy most reasonable expectations. This opinion, with a corresponding distrust of politics, still characterizes the English workers. Temporarily there is a breach in it. Legal decisions of the House of Lords in 1901 restored certain restrictions on private collective bargaining, which the trade-unionists find they cannot remove without turning politicians. Hence the Labour Representation Committee.[2] This is now supported financially by over a million trade-unionists, and has captured several Parliamentary seats. At present it has no explicit common programme, except the restoration of that state of the law under which its trade-unionist members thought political action superfluous. But it will go further if they unlearn their complete reliance upon private collective bargaining.

Socialistic criticisms upon private collective bargaining.

Socialists seldom apply the idea that "palliatives postpone remedies" so as to belittle what the trade-unions have achieved. But to complacent estimates of it they oppose three main criticisms:

(1) It is inconclusive and enormously costly. All private bargaining means private economic warfare. That the warfare is collective gives the workman a chance of winning; but it also vastly multiplies the sufferings occasioned. As the author of the New Zealand Arbitration Law puts it, there are three parties to every strike or lock-out

[1] Cp. his letter on the Gotha programme (written in 1875).

[2] The Committee was started before the decisions, but they have admittedly vitalized its action.

—the masters, the men, and the general community, and there are always at least two losers.[1]

(2) The area of the working class benefited is very confined—virtually confined to skilled male workers. 2,000,000 men and 120,000 women are the trade-unionists of a nation, with perhaps 15,000,000 wage-earners. The residue do not lose only as part of the public during strikes. Most industries employ both skilled and unskilled labour. The better-paid skilled workmen are organized, and demand advances of wages collectively. If they win without fighting, the improvement in their wage will tend to keep the unskilled labourers' down. If, however, they fight and work ceases, the unskilled labourers are thrown willy-nilly into an unemployment which they can less afford to endure, and which it is not in their power to terminate, on behalf of interests which are not theirs.

(3) The area of working-class interests benefited is small. Non-political unionism has marshalled the skilled workers, the natural leaders of their class, almost solely against the employers. It has withdrawn attention from the pre-eminent land question, and been a godsend to railway companies and other monopolists exploiting the consumer. It may have made Lancashire wages among the best in the world; it has left Lancashire towns among the worst.

Socialism must regard these criticisms as insurmountable by any method short of abolishing private collective bargains. Criticism (2) might be got over by introducing alongside of trade-unionism the Victorian system of wage-boards for the earners of low wages. But the more thorough way is that pointed by New Zealand—compulsory State arbitration between employers and employees. By this trade-unions would cease to be fighting bodies and become representative; rich and poor workers could all alike be organized, and the

[1] The strongest unions now avoid fighting wherever possible, and have learned greatly to increase such possibilities. But upon fighting they always rest, and their strength is their fighting capacity.

former would have no motive for forming unrepresentative knots by themselves. Sweating could be stamped out, and unskilled labour be paid the living wage which our social investigators are convinced that it does not get. The passage from trade-unionism to Socialism is bridged. This idea is heartily welcomed by the Socialist historians of trade-unionism, Mr. and Mrs. Sidney Webb, and in France, M. Millerand's tireless work for trade-unionism evidently contemplates some such end. Trade-unionists outside Australasia are still generally against it, but in part for temporary reasons. The system's effect in transferring the "fighting" of the workers from the trade-unionist to the political sphere is the essence of Socialism; but where, as in England and America, the workers have strong unions and weak parties, they naturally do not jump at it. To overcome this hesitation should be a principal aim of Socialist trade-unionists; but they have not all yet realized it as such.[1]

The movement of the Labour Representation Committee is therefore still only a hope for the English Socialists; but it is their main hope. All experience except in New Zealand (where an abnormally democratic Radicalism made an exception more apparent than real) goes to show that a separate Labour party, allying but not fusing with other parties, is indispensable for a persistent Socialist policy. Mere "permeation" of the bourgeoisie and its parties has not sufficed; it seems, indeed, almost a spent force. In municipal government, where the governed are relatively near to the eye and conscience of the governing, it has achieved something; the wage-clauses of our municipalities are indubitable Socialism. Their "municipalization" only is so when done in the same spirit; the likelihood is great that, pursued as much of it is "unconsciously" by uninspired men, it may go the way of the British co-operative movement, and harden into a merely

[1] At the English Trade Union Congress in 1902 a resolution in favour of compulsory arbitration was defeated by 961,000 votes to 303,000. At least one Socialist spoke against it.

mechanical device, slightly benefiting the pockets of consumers. But all municipal Socialism is controlled by national government, upon which "permeation" has made little impression. It was when, on Parnell's death, the Irish question lapsed, that Socialism had its best chance of capturing English politics. It tried permeation, and for a few years almost fancied itself successful. But the first live interest after the Irish—Imperialism—knocked it easily out; and now that after eight years that is flagging, the Protectionist controversy has intervened, perhaps for an equal period.

By affiliating two Socialist bodies besides its trade-unionists, the Labour Representation Committee has left open a way for non-manual workers to join it. But the great politicians, without whom no political movement can live, are still to seek. The theorists of English Socialism, though few, may compare with those of other nations; the English Labour leaders, though they do not number a Bebel or an Anseele, compare well with the leaders of the other English classes. But men like Jaurès or Vandervelde, who each are first-rate thinkers, writers, Parliamentarians, wire-pullers, and mob-orators, all rolled into one,—such men simply do not exist in English Socialism, nor indeed in English politics; and perhaps they never will until members of Parliament are paid. Nor can Socialists look with full confidence upon the English electorate. It is hardly disputable that millions of electors in the greater British cities have reached a point of personal decadence—physical, mental and moral—to which no Continental country furnishes a parallel on any comparable scale. Time is steadily multiplying these millions; and for English Socialism there is therefore a race against time which it is very likely not to win.

MODERN SOCIALISM

MODERN SOCIALISM

I

THE DIFFERENCE BETWEEN MODERN AND UTOPIAN SOCIALISM

By A. Bebel

This is an excerpt from Bebel's *Charles Fourier* (pp. 287–9).

August Bebel was born in 1840; apprenticed to a wood-turner at fourteen; entered politics at Leipzig, and in 1864 was President of the *Deutscher Arbeiterbildungsverein* (a Radical organization); in 1865 was brought to Socialism by Liebknecht; in 1871 protested with Liebknecht against the annexation of Alsace-Lorraine, whose neutralization he still advocates; has, since Liebknecht's death, been leader of the Social Democratic party in the German Reichstag.

All Socialistic experiments which are attempted inside the bourgeois world, and aimed naturally at the reconciliation of mutually exclusive opposites, must come of necessity to grief. Where such experiments last some time, as in some small communistically organized communities in the United States, they are able to do so only through almost perfect isolation from the rest of the world, and only under an economic system which constrains their adherents to Spartan simplicity, and necessitates patriarchal conditions. This is not the developed civilization for which mankind strives. That requires a free, unimpeded unfolding of all men's talents and capacities, and a full enjoyment of all the attainments of civilization, which is only to be won if the means of civilization are more and more

multiplied up to the highest technical and scientific levels. A small isolated community, limited in its powers and means, cannot achieve this, be it never so artistically organized. It is disturbed by every foreign influence which acts on it from outside; and this effect will be the more present the more vital are the relations which the part conceives to be necessary towards the whole. Either it must go with the whole and develop with it, or it must remain isolated and ossify; there is no third alternative.

In the bourgeois world men can only be conceived as acting in bourgeois fashion. The individual plays towards the whole the part of a tiny cog on a monstrous mechanism, whose many dozens of wheels clash with their thousands of cogs and little cogs in a prescribed order. The effect of the individual is seen in his effect on the whole, and reversely in the effect of the whole on individuals. Both complete and condition each other. Whoever strives as an individual against the whole, and thinks he can go his particular way; whoever thinks he can arbitrarily break through the social mechanism in which all are confined; whoever fancies he can found his own particular Kingdom of Heaven, will speedily learn by hard facts to take another view of his own impotence and incapacity. Hence all Socialistic experimenting inside the bourgeois world, whether it proceeds from an individual who imagines he can produce and distribute Socialistically as a bourgeois *entrepreneur*, or from a small aggregate who endeavour to do so for and among themselves, is Utopian fancy-mongering. Every such attempt indicates an immature spirit which can only have the effect of provoking disillusionments, discrediting the ideas among undiscerning persons, and giving the adversary the weapons he wants against the efforts of which he is afraid.

The great progress of our age is, that the Utopians have died, or are dying, out. Among the masses they find no foothold—find one less to-day than ever. Even the simplest workman feels that nothing can be set up *artificially*, that what

is to be must *develop*, and must develop with and through the whole—not separated and isolated from it. The thing is to clear the course for development, to remove all that is old or has died out, to ease the ending of what is dying out, and with this object to direct the search of criticism to every point at which evils appear. People who apply criticism must trace out the causes which produced evil. When the causes are ascertained, the remedies spontaneously follow.

II

MARXIAN SOCIALISM IN POLITICS

By W. Liebknecht

This is an extract from the speech made by Liebknecht at the Erfurt Congress of the German party in 1891, when moving the final adoption of the programme there drawn up.

Wilhelm Liebknecht (1826–1900) was the leader of the German Social-Democratic party throughout the most critical period of its growth. Himself a Marxist, he was largely responsible for the union of the Marxists and Lassalleans, and their concentration upon a common programme at Gotha in 1875. His tactical ability in subsequently enabling his party to parry Bismarck's Anti-Socialist Law was acknowledged by Bismarck himself. Like Marx, Engels, and Lassalle, he belonged by birth to the bourgeoisie; and he received a University education at Berlin and Marburg.

I will now go into the main principles of the programme. Of course, you will not expect me to explain here and now every single point; I must confine myself to exhibiting the thought of the general portion broadly and as a whole. Among the detailed demands I will only note what really requires notice, because it has been insufficiently discussed or because it varies from the earlier formulæ. The leading thought which was equally apparent in all the draft-programmes submitted to the Congress was to indicate clearly the causes whence the embarrassments of contemporary society proceed—to exhibit the process of economic development which divides the capitalistic world, the society of to-day, into two hostile camps, and to make plain the necessity of the class-war in capitalistic

society—to make plain how, by the necessity of Nature, as long as bourgeois society exists, the system of exploitation and oppression must exist too. As the cause of the division of society into two hostile camps we had to assign the fact that the means of production—*i.e.* land, raw materials, tools, machines, mines, and means of transport—have passed from the possession of the community, of collective society, into the private possession of individuals. If we imagine a state of things in which the necessary means of production are in every individual's possession, so that every one can work independently of others, then there is no production of *commodities;* every one really produces for himself; there is no dependence of one upon another, no exploitation and enslavement. Whither and how far such a state of things has existed, we leave commentators to say. It is only possible and conceivable in a form of society such that the means of production—notably the chiefest of them, Mother Earth—are in the possession of the real producers, the workers. As soon as ever private property in the means of production is started, there begins exploitation and the splitting of society into two classes whose interests make them each other's enemies. This process does not accomplish itself suddenly, but it incessantly goes on, and it may be traced back through the Middle Ages into the most hoary antiquity. In the bourgeois society, with which we have to concern ourselves and the programme is concerned, it accomplishes itself with increasing rapidity and momentum, according to the degree in which the means of work are concentrated and become the monopoly or property of a small minority, and according to the increased productivity of the means of production, which constantly grow more perfect. Simple tools become machines; machines themselves keep on being improved; aggregates of capital, and with them the intensity of production, grow continuously. Out of the small industry develops the great industry; out of that, as known to us at the beginning of wholesale capitalistic production, develops the modern giant industry. Even this

no longer suffices; the giant concerns coalesce into trusts, cartels, federations, etc. And with this concentration of capital, of the means of production, there increases similarly, on the one hand, the intensity of production, which grows unlimitedly, and on the other the intensity of exploitation, the sucking-up of the intermediate classes, the precariousness of the proletariate's existence, the degree of misery, of oppression, of enslavement.

This historical process of the development of society and the laws, according to which it accomplishes itself, had to be set out in the programme. It had to be shown how the conditions of to-day originate in this separation of the workers from the means of production; how with the growing concentration of the means of production exploitation has grown and must grow; how the root of the evil lies precisely in the fact that the means of production become private property; how from this fact exploitation naturally and necessarily results. For whoever has the strength to work but lacks the means which would enable him to exert it, to turn it to account, to bring it into the "economic play of forces"—such a man cannot *live;* he is inseparable from his power of work, and if he is not to starve he must give himself into the service of another who is a private owner of means of production. Hence arises and is developed economic dependence, economic exploitation, and from it political dependence and enslavement in every form—a process which, as stated, goes on with increasing rapidity. The division of society grows ever deeper and more complete; what is between the capitalist and proletarian extremes, the so-called intermediate strata of the population, which still, on a small scale, own the means of production but must work themselves even if they also employ others—these intermediate "strata" (to avoid the vague word "ranks") disappear more and more, and the whole process of development of contemporary society proceeds naturally and necessarily, whither the essential being of that society drives it, to the concentration of the means of production in

a few hands, and the expropriation, the spoliation, of those who have not the means of production by the monopolists who have. Thus the whole history of bourgeois society is a history of expropriation—*expropriation made a permanent system.* The possessor of the means of production expropriates the man who has none and must work for him for a wage; he pays in the wage *only a part* of the work performed; the *surplus-value,* the unpaid performance, becomes in his hand (the hand of the possessor of the means of work) *capital,* and enables him to draw tighter and firmer the worker's chains, to complete his enslavement and exploitation. Thus the worker, as he works and creates wealth, forges the fetters of his own bondage. Nothing in the process can be altered by pious wishes. All criticisms of capitalism, which do not go to the core, are fruitless; all attempts to remove the "excrescences" of capitalism, while maintaining its bases, are Utopian. These "excrescences" are the logical results, the inevitable consequence of the capitalistic system; whoever wants to remove them must remove it, their cause. By this demand the Social Democracy distinguishes itself from all other parties and stamps itself a *revolutionary* party, while all other parties, without exception, take their stand upon private ownership of the means of production. This point, because of its outstanding importance, we have formulated in the programme now submitted to you more fully and precisely than was done in the first draft. In the latter it was stated that all other parties took their stand in common upon capitalism, and, therefore, were collectively hostile to the working classes. Against this it could be urged that in Germany we have movements which, though politically unimportant do aim, like us, at clipping the wings of capitalism so far as it manifests itself on the large scale—I mean movements like those in favour of guilds and corporations, or the Anti-Semitic. These we cannot easily designate as capitalistic, but they do, as our draft puts it, take their stand on private ownership of the means of production, and they do so in common with all

other parties. And against all parties standing there in common we Social Democrats close our ranks. There are no compacts, no compromises; between us and the army of our allied opponents is a great gulf, a gulf growing wider and deeper every day, across which the economic leap may be made from their side to ours, because theirs is the higher; and every day and hour the pressure and logic of the economic development throws across into the proletariate from the ranks of our adversaries regiments who previously fought there, and thousands, yes, hundreds of thousands, are hurled into the abyss of misery. But this bottomless gulf is not filled up by their bodies; it exists, it is the boundary separating us from all other parties, and every one who wants to cross it, who resigns himself to petty-bourgeois Utopianisms, who does not at every moment keep clearly before his eyes, that only the removal of the causes, only the abolition of private property in the means of production, only the abolition of the entire present method of producing commodities, can bring misery, exploitation, and enslavement to an end, who mistakenly believes that gradually, by way of compromise, by petty bourgeois salves and palliatives the evils of contemporary society may be so mitigated as to be at least for some time bearable—every one who subscribes to such views deserts the revolutionary ground of the party. We have to consider that when we ask, "Are you one of us or not?" The finest phrase about improving the lot of the workers profits nothing, we get no help thence.

It is of the *essence* of the present society and production, that exploitation grows ever more intense. Can we, by the legislation of the State, be it never so powerful, be screwed back into mediævalism? Can the great industry be sacrificed to the small industry, as the guild party desire? No; it is simply impossible. In the very simple question of the law for protecting workers the class-State of to-day, which must serve capitalism, has never had the power to free itself from the dominating class—that same State which dreamers have

called a "social" kingdom or empire! Society does not let itself be forced back into earlier forms of production inferior for business purposes; and the new forms lead naturally and necessarily to ever greater concentration of the means of production, ever greater exploitation and enslavement, ever more general proletarization of the members of society. Therefore the Social Democracy demands that this be attacked at the base, at the root, that the causes of these conditions be removed. Its demand is not a capricious, but fully conscious demand; it has risen to that view of the world which conceives society as an organism whose growth and development are natural and necessary. It sees that contemporary society has created conditions which must destroy it; it sees—what is expressed in all our draft programmes—that the society of to-day is driven onwards with brazen logic to a catastrophe, to its own "world-ruin," which is not to be averted. Socialism is not an arbitrary invention. The so-called "State of the Future," with which we are derided and whose bases we can of course only indicate in general outlines, is the necessary, inevitable consequence of the capitalistic State of the Present, as Socialistic production is the necessary result and consequence of to-day's capitalistic production. Thus capitalism, while ever expanding further and piling up gigantically the means of its power, is at the same time creating the enemy and the powers to which it must succumb—creating, as the *Communist Manifesto* says, its own grave-digger—digging its own grave. Capitalism makes the proletariate, which it produces, its own heir, prepares its heritage, forges its weapons, enables it to realize what we are striving after, creates for it the material conditions for the realization of our ideal,—in short, *the Capitalistic State of the Present begets against its will the State of the Future.* In a condition of bourgeois industry on the small scale, of dwarf economics, a philanthropic Utopianism, self-styled Socialism, was possible; but revolutionary scientific Socialism, which has grasped the laws of the development, and regards itself as that development's last

consequence, was simply inconceivable. Socialism is the result of modern capitalism; the Socialist State is the successor and heir of the Capitalist State.

Therefore in our draft-programme we have nowhere introduced a misty, airy end to be aimed at. We have stated what *is* and what *is coming*. We have said: Society is thus; its laws are these; we can no more alter them than the State of to-day can; they lead necessarily to the Socialistic society, and since Socialism is a social necessity, we strive after it, and call on the workers to range themselves under the banner of the Social Democracy, and to "step into the ring" —as of old the revolutionary peasants said—into the ring of the Social Democratic programme.

We have declared that the movement accomplishes itself on the basis of *the class-war*. This word, which was first imported into German from English by Marx, forms the best refutation of the supposition that the Marxian doctrine, scientific Socialism, excludes personal interference with the process of economic development, and favours a certain fatalism, an inactive expectancy. That supposition is false; the exact opposite is true. It was precisely Marx who exhibited the whole development of bourgeois society as the result of a series of class-wars, which fulfil themselves in ever higher forms, with an ever deeper and further content, corresponding to the uninterrupted onward development of economic conditions. And the class-war is a war of living men, a real, personally fought, genuine war; and no one has expressed this nature of the war more precisely than Marx.

If we say we wish to abolish the class-State of to-day, we must also declare, to break the point off our opponents' objections, that the Social Democracy, while it fights the class-State, will by abolishing the present form of production abolish the class-war itself. When the means of production have passed into the community's possession, then the proletariate is no longer a class, any more than the bourgeoisie; the classes cease; there only remains society, the society of equals—

genuine human society, humane humanity. Hence it has been, and had to be, declared most distinctly that *we do not seek to replace one class-domination by another*. Only malice and thoughtlessness can currently foist such a thought upon us, for in order to rule, in order to be able to exercise a domination, I must personally possess means of production—my owning means of production is the indispensable condition of domination—and personal, private ownership of the means of production is just what Socialism abolishes. Domination and exploitation in every form are to be abolished; men are to be free and equal—not masters and slaves, only comrades, only brothers and sisters.

Next to this general thought, we had to emphasize the *international* character of the party. Since the foundation of the "International" in the middle of the sixties, the internationalism of the worker's movement has been recognized and practically observed by the German workers on every occasion. In the new programme we have expressed this thought very definitely on two sides firstly, on the economic side—in that the economic development of its own nature bears an international character; and secondly, on the political side, because the international character of the economic development makes it impossible to solve social questions nationally in one land, and hence the international co-operation of the working-class is necessary. Further we had—and in view of the misinterpretations and perverse conclusions to which certain proceedings abroad have given rise, this was doubly our duty—to declare with special emphasis and in words which admit of no doubt, that we "feel and declare ourselves one with the class-conscious workers of all other lands." The international Social Democracy is for us not a phantom, not merely a fine phrase; it is an end, without whose attainment the emancipation of the working-class cannot be accomplished. We are internationalists in deadly earnest. We are fully aware of the consequences of our declaration and the obligations which it lays upon us; and if we do not state

this in so many words, as the old programme did, that is merely because, after our present declaration that we "declare ourselves one with" the Social Democracy of all other lands, we held it superfluous, indeed weakening. What we here solemnly resolve will, like everything else in this programme, be realized in his life by every one of us, and translated into his acts and affairs. In the international alliance of the proletariate the German Social Democracy will always do its duty, and shrink from nothing which duty bids.

I draw your attention, further, to the clause in the seventh section: "The battle of the working-class against capitalistic exploitation is necessarily a political battle. The working-class cannot carry on their economic battles and develop their economic organization without political rights." There we express the political nature of our party, and separate ourselves from those who preach the so-called "propaganda by action;" who in reality erect inaction into a programme, and practise the propaganda of do-nothing with a flood of revolutionary phrases. We must act, must influence politics, must use every tool and handle at our disposal, apply every lever to further our work. There is much to do, and the more force we expend, the greater the sum-total of force that we put into the work, the sooner will the work be done. To expect that without our intervening in the political battle the transformation of society, the social revolution, will be achieved, is childish folly. Whoever thinks so has no idea of the difficulty and magnitude of our war of emancipation. In Halle I spoke of "how the society of to-day *grows into* the Socialistic society." I have often been taken to task for the word. I meant to indicate by it merely the organic character of the development of society, which is not a machine, but a collective living being; but on every occasion, including that one, I have clearly insisted that men are not the toy of destiny, and may not stand inactive, expecting blessings to descend on them; that circumstances determine men, but that they are also determined by men; and that as the class-war

is a constant human wrestle, so the attainment of our end can only be the fruit of a ceaseless war, in which all fight together, and each throws his whole self, his existence, recklessly into the balance, joyfully staking life and property.

"It cannot effect the passing of the means of production into the ownership of the community without acquiring political power," says this section, further on; that is, we fight for *power in the State*, for "the latch of legislation," which is now monopolized by our opponents in their class-interest. "To shape this battle of the working-class into a conscious and united effort, and to show it its naturally necessary end is the object of the Social Democratic party." So it is not our object to conjure up before the workers the phantasm of the State of the Future, but to enlighten them upon the process of development and the laws of the movement, of the society of to-day; to show them what is necessary to make an end of exploitation and enslavement, to show them how bourgeois society itself in its further development more and more puts into our hands the means of abolishing it. Here the double character of our party is clearly expressed: the scientific character which refuses, after the Bismarckian recipe of blood and iron, to conceive the historical movement as an arbitrary one which you can lead as you like to revolution or reaction, and which recognizes that the movement has fixed, unalterable laws; and the practical character of our party, which manifests itself in that the workers are shown the way to the end, are shown that they can only attain their end by obtaining political power, only by our hastening as much as possible the process of dissolution of contemporary society, only by our organizing ourselves for power more and more.

III

AN ACCOUNT OF MARX'S THEORY

By F. Engels

This is Part iii. § 2 of Engels' *Herrn Eugen Dührings Umwälzung der Wissenschaft.*

F. Engels (1820—1895) was the son of a wealthy Bremen cotton-spinner. In 1844 he met Karl Marx in Paris, and for the rest of his life was Marx's *alter ego.* The two last volumes of Marx's *Capital* were edited by him after Marx's death.

His book, *Herrn Eugen Dührings Umwälzung der Wissenschaft*, was published in 1878, towards the close of Marx's life. Few books are cited oftener or with more authority in the discussions of the German party.

The "materialist conception of history."

The materialist conception of history starts from the principle that production, and next to production the exchange of its products, is the basis of every social system; that in every society arising in history the allotment of products, and with it the division of society into classes or ranks, depends upon what is produced, how it is produced, and how when produced it is exchanged. Accordingly the ultimate causes of all social changes and political revolutions are not to be looked for in the heads of men, in their growing insight into eternal truth and justice, but in changes of the methods of production and exchange; they are to be looked for not in the *philosophy*, but in the *economy* of the epoch in question. The awakening perception that existing social arrangements are unreasonable and unjust, that reason has become nonsense and goodness a scourge, is only a symptom of the fact that in

the methods of production and forms of exchange alterations have silently gone on, to which the social system fitted for earlier economic conditions no longer corresponds. That amounts to saying that the means for removing the evils revealed must itself, more or less developed, be present in the altered conditions of production. This means is not something to be invented out of the head, but something to be discovered by means of the head in the material facts of production lying before us.

How does modern Socialism accord with this conception?

The present social system has been, as is now pretty generally conceded, created by the now dominant class, the bourgeoisie. The method of production proper to the bourgeoisie, designated, since Marx, as the capitalistic method of production, was incompatible with the local and fixed privileges and the reciprocal personal ties of the feudal system; the bourgeoisie shattered the feudal system and erected on its ruins the bourgeois conception of society, the empire of free competition, of free locomotion, of equal rights for the possessors of commodities, and of all the other bourgeois fine things. The capitalistic method of production could now unfold itself freely. The productive forces elaborated under the direction of the bourgeoisie developed, after steam and the new machinery had transformed the old manufacture into the great industry, with hitherto unheard-of rapidity on a hitherto unheard-of scale. But as in its time manufacture and the handicraft developed under its influence came into conflict with the feudal fetters of the guilds, so the great industry in its fuller development comes into conflict with the limitations in which the capitalistic method of production has confined it. The new productive forces have already quite outgrown the bourgeois form of their utilization; and this conflict between productive forces and methods of production is not a conflict which has originated in the heads of men, like the conflict between human original

The rise of the "great industry" under conditions designed for petty industry.

sin and divine righteousness, but it exists in facts, is objective, outside of us, independent of the will or the course even of those human beings who have brought it about. Modern Socialism is nothing more than the mirroring in thought of this conflict in fact, its ideal reflection in the heads of the class, primarily, which directly suffers by it, the working-class.

In what does this conflict consist?

Origins of the present system of ownership and exchange,

Before capitalistic production—that is, in the Middle Ages—there everywhere existed petty industry, on the basis of the workers owning privately their means of production: the agriculture of the small free or subject peasants, the handicraft of the towns. The means of work—land, agricultural implements, workshop, manual tools—were means of work for the individual, only calculated for individual use, so necessarily upon a small, pigmy, restricted scale. But for that very reason they belonged as a rule to the producer himself. To concentrate these fragmentary, cramped means of production, to expand them, to transform them into the powerfully operative lever of the production of to-day, was just the *rôle* in history of the capitalistic method of production and its agent, the bourgeoisie. How it carried this out historically after the fifteenth century in the three stages of simple co-operation, manufacture, and the great industry, Marx has depicted expressly in the fourth section of *Capital.*

and their obsolescence through the rise of *social* methods of production.

But the bourgeoisie, as is there proved, could not change those limited means of production into mighty productive forces, without changing them from means of production of the individual into *social* means of production only to be utilized by a *collectivity* of men. In place of the spinning-wheel, the hand-loom, and the smith's hammer, came the spinning-mule, the power-loom, and the steam-hammer; in place of the individual workshop, the factory enabling hundreds and thousands to work together. And along with

the means of production, production itself changed from a series of individual performances into a series of social acts, and the products from products of individuals into social products. The yarn, the cloth, the hardware, which now came from the factory, were the common product of many workers, through whose hands they had to go in order before they were ready. No individual can say of them: "I made that; that is *my* product."

Where, however, the natural division of labour within society is the basic form of production, it stamps on the products the form of *commodities*, whose reciprocal exchange, purchase and sale, puts the individual producers in a position to satisfy their manifold needs. And in the Middle Ages this was the case. The peasant, *e.g.*, sold farm-produce to the handicraftsman, and bought from him in return the products of handicraft. Upon this society of individual producers, producers of commodities, intruded the new method of production. In the midst of the natural undesigned division of labour prevailing all through society, it set up the designed division of labour as organized in the individual factory; by the side of individual production appeared social production. The products of both were sold on the same market, therefore at prices at least approximately equal. But the designed organization was more powerful than the natural division of labour; the factories with their social labour got out their products more cheaply than the small individual producers. Individual production failed in one sphere after another; social production revolutionized the entire former method of production. But this its revolutionary character was so little recognized, that on the contrary it was introduced as a means for augmenting and advancing the production of commodities. It arose in immediate connection with definite machinery, already discovered for the production and exchange of commodities: merchant's capital, handicraft, wage-labour. While it appeared itself as a new form of the production of commodities, the forms of appropriation in force for the production of commodities remained also in full force for it.

In the production of commodities, as developed in the Middle Ages, there could arise no question as to whose should be the product of labour. As a rule, the individual producer had made it out of raw material belonging to him, and often produced by him, with his own instruments of work, and his own manual labour or that of his family. There was absolutely no need for him first to appropriate it; it belonged to him entirely of itself. A man's ownership of the product rested, therefore, on his own work. Even where outside assistance was used, this as a rule remained secondary, and commonly involved some other benefit besides wages; the guild apprentice and companion worked less for the money and the wage than for their own training to be masters. Then came the concentration of the means of production in great workshops and factories, and its alteration into a really social means of production. But the social means of production and products were treated as though they were still, as they had been, the means of production, and products, of individuals. As the possessor of the means of production had hitherto appropriated the product, because it as a rule was his own product and the labour of outside assistants was the exception, so now the possessor of the means of production continued to appropriate the product, although it was no longer his product, but exclusively the product of outside labour. Thus the products now made socially were not appropriated by those who had really set the means of production in motion and really made the products, but by the *capitalists*. Production, and the means of it, have really become social. But they are subject to a form of appropriation, which presupposes the private production of individuals, in which everyone possesses and brings to market his own product. The method of production is subject to this form of appropriation, although it does away with what this form presupposes.[1] In this con-

Incompatibility of the old method of appropriation and the new method of production.

[1] It need not here be explained, that although the *form* of appropriation remains the same, its *character* is no less revolutionized by the

tradiction, which lends to the new method of production its capitalistic character, the whole discord of the present lies already in germ. The more the new method of production came to dominate all important fields of production and all important countries, the more glaringly came perforce to light *the incompatibility of social production and capitalistic appropriation.*

Origin of the wage-earning proletariate.

The first capitalists found, as we said, the form of wage-labour already to hand. But wage-labour as an exception, a side occupation, a supplement, a transitional stage. The country labourer, who from time to time went to earn day-wages, had his few acres of his own land, from which alone he could if necessary live. The guild ordinances provided that the companion of to-day should pass on to be the master of to-morrow. But as soon as the means of production were changed and became social, and were concentrated into the hands of capitalists, this was altered. The means of production, as well as the product, of the small individual producer became more and more valueless; nothing was left for him but to go to the capitalist for wages. Wage-labour, previously an exception and a supplement, became the rule and the fundamental form of all production; formerly a side occupation, it became now the exclusive activity of the worker. The temporary wage-worker turned into the lifelong wage-worker. The multitude of lifelong wage-workers was, besides, colossally increased through the simultaneous collapse of the feudal system, dissolution of the retinues of the feudal lords, dismissal of peasants from their court posts, etc. The cleavage was

process described above than is production. If I appropriate my own product, or if I appropriate some one else's, those are naturally two very different sorts of appropriation. Note too, that wage-labour, in which the whole capitalistic method of production is contained in germ, is very old; in an individualized and scattered form it subsisted for centuries beside slavery. But the germ could not develop into the capitalistic method of production, until the historical conditions for it had come about. [Engels' Note.]

complete between the means of production concentrated in the hands of the capitalists on the one side, and the producers reduced to possessing nothing but their labour power on the other. The contradiction between social production and capitalistic appropriation appeared as *an opposition between proletariate and bourgeoisie.*

Tyranny of competition in the present system.

We saw that the capitalistic method of production intruded itself upon a society of individual producers producing commodities, the means of whose social connection was the exchange of their products. But every society resting on production of commodities has the peculiarity, that in it the producers have lost the control over their own social relations. Every one produces for himself with his means of production, whatever it may be, and for his individual exchange requirements. No one knows how much of his article comes to the market, or how much of it is needed; no one knows whether his individual product meets a real need, whether he will be able to balance his expenses, or to sell it at all. There is a prevailing anarchy of social production. But production of commodities, like every other form of production, has its peculiar, inherent laws, inseparable from it; and these laws are fixed, in spite of the anarchy, in it and through it. They appear in the single persistent form of social connection, in exchange, and they assert themselves against the individual producers as the coercive laws of competition. They are therefore at the outset unknown to these producers themselves, and have first to be gradually discovered by them through long experience. They are fixed not by the producers nor in the producers' interest, but as the blindly-operative natural laws of their form of production. The product governs the producer.

In mediæval society, that is, in the first centuries, production was essentially directed to producers' uses. It in the main satisfied only the needs of the producer and his family. Where, as in the country, there existed relations of personal dependence, it contributed also to satisfy the needs of the

feudal lord. In this case no exchange took place, and the products did not acquire the character of commodities from it either. The peasant's family produced nearly everything that it needed, furniture and clothing no less than food. Only when it went so far as to produce a surplus over and above its own requirements and the tribute in kind due to the feudal lord, did it also produce commodities; this surplus, thrown into the social exchange, exposed for sale, became a commodity. The town handicraftsmen had of course from the beginning to produce for exchange. But they, too, worked principally to satisfy their own requirements; they had gardens and small fields; they sent their cattle into the common forest, which at the same time supplied them with timber and firewood; the women spun flax, wool, etc. Production for the purpose of exchange, production of commodities, was only beginning. Hence a restricted exchange, a restricted market, a stable method of production, local exclusiveness against outsiders, local unity within: the manor in the country, the guild in the town.

But with the extension of production, and in particular with the rise of the capitalistic method of production, the hitherto dormant laws of the production of commodities became more openly and powerfully realized. The old associations were relaxed, the old exclusive limits broken through, the producers converted more and more into independent, isolated producers of commodities. The anarchy of social production became apparent, and was more and more accentuated. But the main instrument, by which the capitalists' method of production enhanced this anarchy in social production, was the exact opposite of anarchy: the increasing organization of production on social lines in every separate producing establishment. With this instrument it put an end to the old peaceful stability. Where it was introduced into a branch of industry, it suffered no older industrial methods to remain beside it.

Contrast between the organization of production in the individual factory and the anarchy of production in society as a whole.

Where it took hold of handicraft, it annihilated the old handicraft. The field of labour became a battle-field. The great geographical discoveries, and the colonizations which followed them, multiplied many times over the area of the market, and emphasized the change from handicraft to manufacture. Not only did the struggle break out between the separate local producers ; the local struggles grew on their side to national ones, the commercial wars of the seventeenth and eighteenth centuries. Finally, the great industry and the establishment of the world-market made the struggle universal and at the same time gave it an unheard-of severity. Between single capitalists as between whole industries, and whole countries, the favour of natural or artificial conditions of production decided the question of existence. The weaker was mercilessly eliminated. It is Darwin's struggle for individual existence, transferred with heightened ferocity from nature to society. The natural standpoint of the beast appears as the summit of human development. The contradiction between social production and capitalistic appropriation, reproduces itself as an opposition between the organization of production in the individual factory and the anarchy of production in the entire society.

In these two manifestations of the contradiction imminent in it by reason of its origin, the capitalistic method of production moves, describing without any way out that vicious circle, which already Fourier discovered it in. What Fourier, of course, could not see in his time, is that this circle gradually contracts, that the movement rather describes a spiral, and must reach its end, like the movement of the planets, by a collision with the centre. It is the driving force of the social anarchy of production, which converts the great majority of human beings more and more into proletarians, and again it is the masses of proletarians which finally will put a stop to the anarchy of production. It is the driving force of the social anarchy of production, which converts the infinite perfectibility of the machines of the great industry into an imperative

command that every individual industrial capitalist shall perfect his machinery more and more, on pain of ruin. But to perfect machinery means to render superfluous human labour. If the introduction and increase of machinery means the crushing out of millions of manual workers by a few machine-workers, the improvement of machinery means the crushing out of more and more of the machine-workers themselves; and, in the last instance, the production of a number of available wage-workers exceeding the average demand of capital for employees,—a regular reserve-army of industry, as I called it as far back as 1845,[1]—available for the times when industry is working at high pressure, thrown on the pavement by the collapse which necessarily follows, at all times a lead weight tied round the feet of the working-class in its struggle for existence against capital, a regulator for depressing the wage of labour to the low level set by the capitalist demand. So it comes about that machinery, as Marx puts it, is the most powerful weapon of capital against the working-class, that the means of work is continually dashing the means of subsistence out of the worker's hand, that the worker's own product turns into a tool for the worker's enslavement. Thus it happens that the economising of the means of work leads to most reckless squandering of labour-force and robbery of what the labour-function should normally start from; that machinery, the strongest instrument for shortening work-time, is transformed into the surest instrument for converting the whole lifetime of the worker and his family into available work-time for capital to profit by; that the over-employment of one man comes to imply the unemployment of another, and that the great industry, which hunts the whole world over for fresh consumers, limits the consumption of the masses at home to a starvation minimum, and undermines thereby its own domestic market. "The law which keeps the relative surplus population or reserve army of industry, continually balancing the extent and energy of the accumulation of

The new "reserve-army" of industry.

[1] *Lage der arbeitenden Klasse in England*, p. 109.

capital, rivets the worker more firmly to capital than Hephaestus' wedges riveted Prometheus to the rocks. It causes an accumulation of misery corresponding to the accumulation of capital. The accumulation of wealth at the one pole is therefore at the same time an accumulation of misery, hard work, slavery, ignorance, brutalization, and moral degradation at the opposite pole, *i.e.* on the side of the class, which produces its own product in the form of capital."[1] And to expect any other division of the products from the capitalistic method of production, is like wanting the electrodes of a battery, while remaining connected with it, to leave water undecomposed, instead of developing oxygen at the positive pole and hydrogen at the negative.

We saw that the maximised capacity for improvement of modern machinery turns, through the anarchy of production in society, into an imperative command that the individual industrial capitalist shall continually improve his machinery, continually raise its productive power. Into a similar imperative command turns the mere *de facto* possibility of his extending his sphere of production. The enormous power of expansion of the great industry, compared to which that of gases is simply child's play, now manifests itself to us as a qualitative and quantitative *demand for expansion*, which laughs at every opposing check. Such a check is formed by the consumption, the outlet, the markets, for the products of the great industry. But the capacity of expansion of markets, extensive and intensive alike, is governed immediately by quite other laws, with a far less energetic operation. The expansion of markets cannot keep pace with the expansion of production. The clash becomes inevitable, and as it can give rise to no solution as long as it does not explode the capitalistic method of production itself, it becomes periodic. Capitalistic production gives rise to a new "vicious circle."

The demand for expansion of markets.

In fact, since 1825, when the first general crisis broke out,

[1] Marx, *Capital;* English translation by Moore and Aveling, p. 661.

the whole industrial and commercial world, the production and exchange of all the civilized nations and their more or less barbarous dependencies, gets out of joint just about once every ten years. Transport comes to a standstill, the markets are glutted, products lie unremoved, as abundant as they are impossible to get rid of, ready money goes out of sight, credit disappears, factories are idle, the working masses lack the means of subsistence because they have produced too much of it, bankruptcy follows bankruptcy, and bankrupt after bankrupt is sold up. The standstill lasts for years, productive forces as well as products are squandered and destroyed wholesale, till the accumulated masses of commodities are finally disposed of more or less below value, and production and exchange gradually resume their course. After a while the pace becomes marked; it falls into a trot; the trot of industry passes into a gallop, and this again increases to the unbridled career of a complete industrial, commercial, banking, and speculative steeplechase, so at last to attain once more the breakneck leap into the grave of the crisis. And so all over again and again. Since 1825 we have now experienced this five times, and at the present moment (1877) are experiencing it for the sixth. And the character of these crises is so sharply marked out that Fourier named them all when he named the first one: "*crise pléthorique*"—crisis from over-supply.[1]

Theory of commercial crises.

In the crises the contradiction between social production and capitalistic appropriation breaks out violently. The circulation of commodities is for the moment annihilated; the medium of circulation, money, becomes a hindrance to circulation; all the laws of the production and circulation of commodities are turned upside down. The economic clashing has

[1] This theory, and its premiss that the workers only get a small fraction of the value of their work, was advanced also by the theoretic Socialist Rodbertus. Unchecked capitalism, in this view, minimizes the purchasing-power of the majority, while maximizing their producing-power; hence the crises.

reached its maximum; the method of production is in revolt against the method of exchange, the productive forces are in revolt against the method of production, out of which they have grown.

The fact that the social organization of production inside the factory has developed itself to the point at which it is incompatible with the anarchy of production existing beside and beyond it in society; this fact is made obvious to the capitalists themselves, by the powerful concentration of capitals, which, during crises, is achieved by means of the ruin of many great, and still more small, capitalists. The whole mechanism of the capitalistic method of production gives out under the pressure of the productive forces which it has itself created. It can no longer convert all these masses of the means of production into capital; they lie fallow, and for that very reason, the reserve army of industry must lie fallow also. Means of production, means of subsistence, available workers, all elements of production and of the general wealth, are present in superfluity. But "superfluity is the source of want and need" (Fourier), because it is just it which impedes the conversion of the means of production and subsistence into capital. For in capitalist society the means of production cannot come into action, unless they have previously been converted into capital, into means for the exploitation of human labour-force. Between them and the workers stands, like a spectre, the necessity for them and the means of subsistence to take the character of capital. It alone prevents the harmonious working of the material and personal factors in production; it alone forbids the means of production to function, and the workers to work and live. On the one hand, therefore, the capitalistic method of production becomes convinced of its own incapacity to control further these productive forces. On the other, these productive forces themselves bring increasing pressure to bear for the removal of the contradiction, for their release from their character as capital, for actual recognition of their character as social productive forces.

It is this opposition of the powerfully growing productive forces to their character as capital, this increasing pressure for the recognition of their social character, which compels the capitalist class itself more and more, so far as this is at all possible inside the capitalistic conditions, to treat them as social productive forces. Both the high-pressure periods of industry, with their limitless inflation of credit, and the crisis itself by the collapse of great capitalist firms, lead to that form of the socialization of larger quantities of the means of production, which confronts us in the different sorts of joint-stock companies. Many of these means of production and traffic are from the first so colossal, that, like the railways, they exclude every other form of capitalist exploitation. At a certain stage of development, this form also ceases to suffice; the official representative of capitalist society, the State, must take over their management.[1] This need for conversion into State property appears first in

Tendency already to partial socialization of productive forces.

[1] I say "must." For only in case the means of production or traffic have *really* outgrown management by joint-stock companies, and therefore nationalization has become *economically* irrefutable, only in this case does it signify, even though achieved by the present State, an economic progress, the attainment of a new step forward to the appropriation of all productive forces by society itself. Recently, however, since Bismarck turned to nationalization, a certain sham Socialism has appeared, and here and there degenerated into mere servility, which pronounces all nationalization, even Bismarck's, to be Socialistic without more ado. Of course if the nationalization of the tobacco trade were Socialistic, Napoleon and Metternich would be numbered among the founders of Socialism. If the Belgian State, for quite everyday reasons of politics and finance, built its main railways itself; if Bismarck, without any economic necessity, nationalized the main lines in Prussia, simply to be better able to manage and utilize them in case of war, to train up railway servants as government voters, and above all to get a new source of revenue independent of Parliamentary votes—those were in no way Socialistic steps, neither directly nor indirectly, consciously nor unconsciously. Otherwise the royal sea-trade, the royal porcelain manufacture, and the company-tailors in the army, would be Socialistic arrangements. [Note of Engels. Reformist Socialists would probably describe all such arrangements as Socialistic, although "indirectly and unconsciously" so.]

the case of the great traffic concerns: the post, telegraphs, and railways.

If the crises revealed the inability of the bourgeoisie to control further the modern productive forces, the conversion of the great producing and traffic concerns into joint-stock companies and State property shows that the bourgeoisie can be dispensed with for that purpose. Every social function of capitalists is now discharged by salaried servants. The capitalist has no social activity left, except to pocket incomes, to cut off coupons, and to gamble on the Stock Exchange, where the different capitalists relieve each other of their capital. If the capitalistic method of production at first crushed out the workers, so now it crushes out the capitalists, and rejects them, just like the workers, into the surplus population, though not immediately into the reserve-army of industry.

But neither the conversion into joint-stock companies, nor that into State property, takes away the character of capital from the productive forces. In the case of joint-stock companies this is palpable. And the modern State, again, is only the organization, which bourgeois society gives itself in order to uphold the universal outward conditions of the capitalistic method of production against the encroachments, not only of the workers, but of individual capitalists. The modern State, as indeed its form shows, is an essentially capitalist machine, a State of the capitalists, the ideal of capitalist aggregate. The more productive forces it takes over into its ownership, the more does it become a real capitalist aggregate, the more does it exploit its citizens. The workers remain wage-workers, proletarians. The relationship of capital is not removed; rather it culminates. But at the culmination comes transformation. State-ownership of productive forces is not the solution of the conflict; but it contains in itself the formal means of the solution, the handle to it.

Capitalist class-character of the existing modern State.

This solution can only be found in the actual recognition of the social nature of the modern productive forces, so that the

methods of production, appropriation, and exchange shall be harmonized with the social character of the means of production. This can only take place, if society, openly and without beating round the bush, seizes hold of the productive forces, which have outgrown every management but its own. Thereby the social character of the means of production and products,—which to-day turns against the producers themselves, breaks down periodically the methods of production and exchange, and only accomplishes itself in violence and destruction, as a blindly working natural law,—will be brought to its full effect by the producers acting with their eyes open, and will transform itself from a cause of disturbance and periodical collapse into the most powerful lever of production itself.

The solution.

The forces operative in society operate just like natural forces—blindly, violently, destructively, so long as we do not recognize them and reckon with them. But when once we have recognized them and grasped their activity, their direction, and their workings, it only depends upon ourselves to subject them more and more to our will and to attain our objects by their means. And this holds particularly true of the powerful productive forces of to-day. So long as we obstinately refuse to understand their nature and their character—and to thwart this understanding the whole capitalistic method of production and its defenders strive,—so long do these forces work themselves out in spite of us, against us, so long do they dominate us, as we have in detail described. But once they are apprehended in their nature, they can, in the hands of the associated producers, be converted from demonic masters into willing servants. It is the difference between the destructive force of electricity in the lightning of the storm, and the fettered electricity of the telegraph and the arc-light; the difference between a fiery conflagration, and fire working in the service of man. With this treatment of the modern productive forces in accordance with their ultimately recognized nature, the social anarchy of production is replaced

by a socially designed regulation of production according to the acquirements of the collectivity and of every individual; the capitalistic method of appropriation, in which the product enslaves first the producer and afterwards the appropriator too, is replaced by that method of appropriating the products which is founded in the very nature of the modern means of production: on the one hand, direct social appropriation as a means for the maintenance and extension of production; on the other hand, direct individual appropriation as a means of subsistence and enjoyment.

The rôle of the proletariate.

While the capitalistic method of production more and more converts the great majority of the population into proletarians, it is creating the power which is compelled, on pain of perishing, to achieve this revolution. While it more and more forces the great socialized means of production to be converted into State property, it is itself pointing the path for this revolution's achievement. *The proletariate seizes the power of the State, and converts the means of production into State property at once.* But it thereby abolishes itself as a proletariate, abolishes all class distinctions and class antagonisms, and abolishes the State as State. Society, hitherto, stirred by class antagonisms, needed the State, *i.e.* an organization of the exploiting class in each period to maintain their external conditions of production, and especially, therefore, to hold down by force the exploited classes in the conditions of oppression afforded by the existing methods of production (slavery, serfdom or bondage, and wage-labour). The State was the official representative of the whole of society, its embodiment in a visible corporation; but it was this only in so far as it was the State of that class which itself for its period represented the whole of society—in antiquity the State of the slave-holding burgesses, in the Middle Ages that of the feudal nobility, in our time that of the bourgeoisie. When at last it really becomes representative of the whole of society, it renders itself superfluous. As soon as there is no longer a class in society to be

held in subjection, as soon as, along with the class-domination and the struggle for individual existence based on the anarchy of production hitherto, the resultant clashings and excesses disappear—there is no longer anything to be repressed, which might necessitate a special repressive force, a State. The first act in which the State really appears as representative of the whole of society—the appropriation of the means of production in the name of society—is at the same time its last independent act as a State. The interference of a State authority in social relations grows superfluous in one sphere after another, and then of its own accord becomes dormant. For government of persons is substituted control of things and management of the processes of production. The State is not "abolished," it dies out. In this context should be considered the phrase "free popular State," both in its temporary rightness for purposes of agitation, and in its ultimate scientific inadequacy; so, too, should the demand of the so-called Anarchists, that the State should be abolished in twenty-four hours.

Material facts condition the origin and abolition of classes.

The appropriation of all the means of production by society has, ever since the appearance in history of the capitalistic method of production, hovered often more or less hazily as the future ideal before the eyes of individuals and of whole sects. But it could not become possible, could not be historically necessary, until the material conditions were present for it to be carried out. Neither it nor any other social advance becomes realizable through the acquired perception that the existence of classes is contrary to justice, equality, etc.; nor through mere willingness to abolish these classes, but through certain new economic conditions. The splitting of society into an exploiting and an exploited, a ruling and a subject class, was the necessary result of the former slight development of production. As long as the aggregate labour of society gives a yield only slightly in excess of what was needed for the bare existence of everybody, as long, therefore, as labour claims all, or nearly all, the time of the great majority

of the members of society, so long does society necessarily divide itself into classes. Beside this great majority, which drudges exclusively at labour, is formed a class freed from directly productive work, which looks after the common concerns of society—management of labour, State affairs, justice, science, the arts, etc. The law of the division of labour, therefore, is what lies at the base of the division of classes. But that does not prevent this division of classes from having been established through violence and robbery, guile and fraud, nor the ruling class from having, when once in the saddle, secured their domination at the expense of the working class, and transformed the management of society into an exploitation of the masses.

But if on this view the division into classes has a certain historical justification, it has it only for a given period of time, for given social conditions. It was based on the insufficiency of production; it will be swept away by the full unfolding of the modern productive forces. And, in fact, the abolition of classes in society presupposes a degree of historical development, at which the existence, not merely of this or that particular ruling class, but of a ruling class at all, and therefore of the class-distinction itself, has become an obsolete anachronism. It presupposes, therefore, a high degree of the development of production, at which for a special class in society to appropriate the means of production and products, and with them political supremacy and the monopoly of education and intellectual management, is not only superfluous, but economically, politically, and intellectually a hindrance to development. This point is now reached. While the bourgeoisie itself is hardly unaware any longer of its political and intellectual bankruptcy, its economic bankruptcy is repeated regularly every ten years. In every crisis society is suffocated under the weight of its own productive forces and products, which it cannot utilize; and stands helpless before the absurd contradiction, that the producers have nothing to consume because there is a dearth of consumers. The

expansive power of the means of production is bursting the bonds which the capitalistic method of production puts upon it. Its emancipation from these bonds is the sole condition to be fulfilled for an uninterrupted, ever rapidly advancing development of productive forces, and with it a practically unlimited increase of production itself. Nor is that all. Social appropriation of the means of production removes not only the present artificial check on production, but also the positive squandering and spoiling of productive forces and products, which at present is the inevitable accompaniment of production and culminates in the crises. Moreover, it sets free for the community a mass of the means of production and products, by doing away with the imbecile expenditure upon luxuries which the now ruling classes and their political representatives practise. The possibility of securing for all members of society, by means of social production, an existence, which not only is in a material sense perfectly adequate and daily growing wealthier, but also guarantees to them the perfectly free training and exercise of their physical and mental faculties —this possibility was never ours until now, but ours it now is.[1]

When society takes possession of the means of production, there is no more production of commodities, and therefore no more subjection of the producer to the product. The anarchy inside social production is replaced by systematic conscious

[1] A few figures might give an approximate idea of the enormous expansive force of the modern means of production, even under the pressure of capitalism. According to Giffen's latest calculation, the total wealth of Great Britain and Ireland was, in round figures :—

1814	2,200 million	£.
1865	6,100 ,,	,,
1875	8,500 ,,	,,

As to the amount of waste of the means of production and products in crises at the second congress of German manufacturers, at Berlin, February 21, 1878, the aggregate loss of the German iron industry alone in the recent crisis was put at £22,750,000. [Engels' note. In a paper read to the British Association on September 11, 1903, Sir R. Giffen estimated the capital wealth of the United Kingdom at 15,000 million pounds.]

organization. The struggle for individual existence ceases. In a certain sense this marks the final separation of man from the animal kingdom, and his passage from animal conditions of existence to really human ones. The circle of conditions of life environing men, which hitherto dominated them, now passes under their domination and control; they now for the first time become real, conscious masters of nature, because, and in that, they are masters of their own association. The laws of their own social action, which previously withstood them as external overmastering laws of nature, are now applied, and so mastered, by men, with full practical knowledge. The peculiar association of men, which hitherto confronted them as something doled out by nature and history, now becomes their own free act. The objective external powers, which controlled history, come under the control of men themselves. Henceforth for the first time men will make their own history quite consciously; henceforth the social causes which they set in motion will predominantly and in a steadily increasing measure have the results which they wish them to have. Mankind leap from the realm of necessity into the realm of freedom.

To perform this act of world-emancipation is the mission in history of the modern proletariate. To investigate its historical conditions, and so its very nature, and to make the class which is called upon to act—the oppressed class of to-day—aware of the conditions and the nature of its own action, is the object of the theoretic expression of the proletarian movement—scientific Socialism.

IV

THE PROGRAMME OF THE "COMMUNIST MANIFESTO"

By Karl Marx and F. Engels

The *Manifesto* was the first great deliverance of Marx and Engels. It dates from Nov. 1847—Jan. 1848. A German revolution on a scale greater than the French of 1789 was then generally anticipated, and the thought of the writers took a "catastrophic" tinge, which it afterwards outgrew. The idea that Marx hoped less from labour organization than from labour pauperism and despair, has chiefly been derived from the *Manifesto;* which was written when the latter were everywhere, the former nowhere.

Nevertheless, with its strong sketch of the Class War, and its appeal "Proletarians of all lands, unite!" it is an epoch-marking document. In a German preface of 1872, the authors justified their reprinting it on this ground, while observing, "This programme has in some details become antiquated. One thing especially was proved by the (Paris) Commune, viz. that 'the working class cannot simply lay hold of the ready-made State machinery, and wield it for its own purposes.'"

We have seen above, that the first step in the revolution by the working-class, is to raise the proletariate to the position of ruling class, to win the battle of democracy.

The proletariate will use its political supremacy, to wrest, by degrees, all capital from the bourgeoisie, to centralize all instruments of production in the hands of the State, *i.e.* of the proletariate organized as the ruling class; and to increase the total of productive forces as rapidly as possible.

Of course, in the beginning, this cannot be effected except by means of despotic inroads on the rights of property, and on the conditions of bourgeois production; by means of measures, therefore, which appear economically insufficient and untenable, but which, in the course of the movement, outstrip themselves, necessitate further inroads upon the old social order, and are unavoidable as a means of entirely revolutionizing the mode of production.

These measures will of course be different in different countries.

Nevertheless in the most advanced countries, the following will be pretty generally applicable.

1. Abolition of property in land and application of all rents of land to public purposes.

2. A heavy progressive or graduated income tax.

3. Abolition of all right of inheritance.

4. Confiscation of the property of all emigrants and rebels.

5. Centralization of credit in the hands of the State, by means of a national bank with State capital and an exclusive monopoly.

6. Centralization of the means of communication and transport in the hands of the State.

7. Extension of factories and instruments of production owned by the State: the bringing into cultivation of waste lands, and the improvement of the soil generally in accordance with a common plan.

8. Equal liability of all to labour. Establishment of industrial armies, especially for agriculture.

9. Combination of agriculture with manufacturing industries: gradual abolition of the distinction between town and country, by a more equable distribution of the population over the country.

10. Free education for all children in public schools. Abolition of children's factory labour in its present form. Combination of education with industrial production, etc., etc.

When in the course of development, class distinctions have

disappeared, and all production has been concentrated in the hands of a vast association of the whole nation, the public power will lose its political character. Political power, properly so called, is merely the organized power of one class for oppressing another. If the proletariate during its contest with the bourgeoisie is compelled, by the force of circumstances, to organize itself as a class, if, by means of a revolution, it makes itself the ruling class, and, as such, sweeps away by force the old conditions of production, then it will, along with these conditions, have swept away the conditions for the existence of class antagonisms, and of classes generally, and will thereby have abolished its own supremacy as a class.

In place of the old bourgeois society, with its classes and class antagonisms, we shall have an association, in which the free development of each is the condition for the free development of all.

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V

THE STANDPOINT OF LASSALLE

The following two extracts are from Lassalle's classical *Offenes Antwort-Schreiben*, addressed in March, 1863, to the Central Committee for summoning a general congress of German workers at Leipzig. The portions of the letter not here given consist mainly of an argument that co-operation of the Rochdale sort could not solve the social problem, and a plea for co-operative (producing) associations of workmen, to whom the State should loan capital (Louis Blanc's plan). The *Offenes Antwort-Schreiben* was the basis of the Allgemeiner Deutscher Arbeiterverein, the first central German Socialist party (founded May 23, 1863).

Ferdinand Lassalle (1825–1864) received a university education at Breslau and Berlin. In 1848 he wrote for Marx's paper, the *Neue Rheinische Zeitung*. In 1849 he was tried and sentenced to six months' imprisonment. Later, he resided at Berlin, publishing literary and scientific work, including (in 1861) his *System der erworbenen Rechte*. In 1862 his Socialistic address, the *Arbeiterprogramm*, raised a storm; he was prosecuted, and sentenced to four months' imprisonment, which was commuted. Thenceforward his activity as an agitator was incessant till his sudden death, which occurred in a duel.

THE brazen economic law[1] which fixes wages under the conditions of to-day, under the control of the supply of and demand for labour, is this: that the average wage always remains reduced to the necessary subsistence which national custom demands for the continuance of life and propagation.

[1] As a brazen law, this is now quite discredited; it was a valid inference from premisses of Matthus and Ricardo, which have been upset. Nevertheless it may still throw a certain light on the case of unskilled labourers, who form a large numerical percentage in all modern industrial communities.

This is the point around which the actual daily wage gravitates like a pendulum, without ever being able much to exceed it or to fall far short of it. It cannot permanently exceed this average, because, in consequence of the easier and better condition of the workers, the ranks of the workers would increase, their propagation would increase, and with the increase of the working population would go a corresponding increase in the supply of hands, which would quickly send the wage of labour down to and below its former level. Wages can also never for long fall below this necessary subsistence; for there would result in that case emigration, celibacy, and decrease of the birth-rate, and finally a decrease, due to misery, in the number of workers, which by diminishing the supply of working hands would bring back the wage of labour to its former level.

The brazen law of wages.

The actual average wage of labour moves round that centre of gravity, about which it must continually fluctuate, and to which it must continually revert, sometimes exceeding it (in a period of prosperity in all or single branches of trade), sometimes not reaching it (in a period of more or less general misery and crises).

The limitation of the average wage to that which national custom deems absolutely necessary for the continuance of life and propagation—that is, I repeat, the brazen and cruel law, which controls the wage of labour under the conditions of to-day.

This law is indisputable. To back it I might cite every great and famous name in the science of political economy. I might cite them from the Liberal school itself, for it is precisely this school which has discovered and demonstrated the law.

This brazen and cruel law you must before all stamp deep, deep in your souls, and take it as the starting-point for all your thoughts.

Here I can give you and the whole working-class an unfailing method whereby once for all you can avoid being duped and led astray.

When any one speaks to you of improving the position of the workers, ask him first—Does he acknowledge this law or not ?

If he does not, then you must infer, that this man either wants to dupe you, or is pitifully ignorant of political economy. For, as I have already observed, there is not one economist of note, even in the Liberal school, who contradicted the law. Adam Smith and Say, Ricardo and Malthus, Bastiat and John Stuart Mill, are unanimous in acknowledging it. Agreement prevails among all men of science.

And if the person who is speaking about the condition of the workers, acknowledges this law when you question him, then ask him further—How he wants to abolish it? And if he cannot answer, quietly turn your back on him. He is an empty babbler, who wants to dupe and dazzle with vain phrases either you or himself.

Let us for a moment regard more closely the effect and nature of this law. Otherwise worded, it is as follows : From the yield of labour (production) there is deducted and divided among the workers as much as they require to continue life (wage of labour). The whole surplus of production—of the yield of labour—falls to the employers' share. It therefore follows from this brazen and cruel law, that you (and for that reason I called you, in my labour pamphlet to which you appeal in your letter, "the class of the disinherited") are necessarily shut out from the increased productivity due to the progress of civilization, *i.e.* from the increased yield of labour, from the increased yielding capacity of your own labour. Your portion is for ever the bare necessaries of life ; to your employers goes everything that is ever produced by labour over and above that.

But since the very great progress of productivity (the yielding power of labour) renders many manufactured products extremely cheap, it may happen that this cheapness gives you, not as producers, but as consumers, a certain indirect advantage from the increased productivity of labour. This advantage

does not affect you in your activity as producers; it does not affect or alter the quota allotted to you from the yield of labour; it affects your position as consumers. It similarly —indeed much more considerably—improves the position, as consumers, of the employers and of all the people who take no part in labour.

Even this advantage, which affects you as men and not as workers, is again effaced by that brazen and cruel law which in the long run always depresses the wage of labour back to the level of consumption necessary to support life. Only it may happen, that if such an increased productivity of labour and consequent extreme cheapness of many products intervene quite suddenly, and if they coincide with a long period of increasing demand for manual workers, then these disproportionately cheapened products are taken up into the sum of things which national custom deems necessary to support life. The fact, therefore, that the worker and his wage perpetually oscillate on the extremest verge of what the needs of any given age render necessary to support life, now just overstepping it, now somewhat within it,—this fact is unchanged. But the extremest verge itself may at different times have been altered by a coincidence of the circumstances mentioned; and so it may come about that, if you compare different ages from one another, the position of the working-class in a later century or a later generation shows some improvement on that in an earlier one, in so far as the minimum which custom demands for the absolute needs of life is somewhat higher.

This little digression I had to make, though it lies far from my own objective, because just this trifling improvement in the course of centuries and generations is the invariable point to which all those who want to throw dust in your eyes, like Bastiat, make their cheap and empty declamations revert.

Mark well what I say. For the reasons given, the necessary minimum livelihood, and with it the position of the working-class, may, comparing one generation with another, have somewhat risen. Whether that really is so, whether really the all-round

position of the working-class has improved, and improved continuously, in the different centuries, is a very difficult and complicated problem—a problem far too learned to be anywhere within or near the competence of those who keep amusing you with disquisitions on the dearness of cotton last century, and the amount of cotton clothes you now use, and similar commonplaces which can be copied out of any compendium. It is not my purpose to investigate this problem here. I must confine myself to giving you what is not only absolutely certain but easy to demonstrate. Let us suppose, then, that such an improvement in the lowest needs of life, and therefore in the position of the working-class, does continuously occur in the different generations and centuries.

Yet I must show you that, all the same, these commonplaces make away with and utterly distort the really relevant question.

The true ground for the workers' discontent.

You are cheated behind your backs. If you refer to the position of the workers and its improvement, you mean your position compared with that of your fellow-citizens to-day, compared with the *contemporary* standard of living. And then they amuse you by pretending to compare your position with that of the workers in earlier centuries! But the question whether, because the minimum which custom deems necessary for life has risen (in case it has done so), you are better off to-day than the workers of 80, 200, or 300 years ago, is a question of no value for you, and can afford you no satisfaction; no more than can the, of course, admitted fact, that you are better off now than the Botokudians and the cannibal savages.

Every human satisfaction depends always on the relation of the means of satisfaction to what the custom of the period demands already as bare necessaries for existence, or, which is the same thing, on the excess of the means of satisfaction beyond the lowest limit of what the custom of the period demands as bare necessaries for existence. Raising the minimum of the lowest necessaries for existence makes people suffer and miss things of which earlier ages knew nothing.

What does the Botokudian miss if he cannot buy soap, or the cannibal savage, if he has no proper coat to wear? What did the worker miss before the discovery of America, if he could not smoke tobacco, or what before the discovery of printing, if he could not procure a useful book?

All that human beings suffer and miss depends, therefore, on the relation between the means of satisfaction and the customary necessaries of life already recognized at the time. All human sufferings and privation, and all human satisfaction—consequently every human condition—is measured only by comparing one's situation with that in which other men of the same time find themselves in reference to what the custom of the time deems necessary for existence. The position of any class is always measured solely by its relation to that of other classes at the same time. If, therefore, it were ever so certain that the level of the necessary conditions for existence had risen in different ages, that satisfactions formerly unknown had been recognized by custom as necessaries, and that with them had intervened in consequence privations and sufferings formerly unknown, yet your position as men has in these different ages always remained the same—oscillating on the lowest margin of what custom at any time demands as necessary for existence, now going a little beyond it, now receding a little below it. Your position as men has thus remained the same, for it is measured not by its relation to that of beasts in primeval forests, or that of African negroes, or that of serfs in the Middle Ages, or of workers 200 or 80 years ago, but solely by its relation to that of your fellow-men, to that of the other contemporary classes.

And instead of considering this, and thinking how to improve this relation and to alter that cruel law, which keeps you continually at the lowest margin of the necessaries for existence at any period, people amuse themselves by confusing the question under your very noses unnoticed by you, and entertaining you with problems in the history of civilization and retrospective glances at the position of the working-class

at former epochs—retrospects which are the more problematical because the manufactured products, which are constantly being cheapened so very much, are only consumed by the workers on a far smaller scale, while the staples of life, which they consume principally, are not controlled by any similar tendency to ever-growing cheapness. These are retrospects, which could only be valuable, if the all-round position of the worker in the different ages were brought within their investigation; they are investigations of the most difficult nature, and only to be conducted with extreme circumspection. Those who dissert upon them to you have not at all the material for them; and they might the rather, therefore, leave them to the specialists.

* * * * *

Necessity of taking political action and agitating for universal suffrage.

You see, therefore, that it is just a mathematical impossibility to emancipate the working-class in this way,[1] by the efforts of its members as merely isolated individuals; that these illusions only result from vague uncritical ideas; and that the sole way to it, the sole way to abolish the cruel law which fixes the wage of labour, to which the working-class is chained as to a martyr's stake, is the furtherance and development of free private labour associations by the helping hand of the State.[2] The labour-association movement founded on the mere atomically-isolated powers of individual workers has only been valuable—and in this has been immensely valuable—in showing obviously the way, the practical way, in which emancipation may proceed, in providing brilliant practical proofs for the removal of all real or

[1] By private co-operative societies, whether distributive or productive, unassisted by the State.

[2] Lassalle's economic panacea was the foundation of the co-operative associations of producers, to whom capital should be lent by the State. It was suggested by Louis Blanc (*Organization du Travail*, 1839). After the union of the Lassallean party with the Marxists at Gotha in 1875, this idea gradually disappeared from German Socialism.

pretended doubt as to its practicability, and in thereby making it the State's imperative duty to lend its supporting hand to this highest interest of human civilization.

I have likewise proved to you, that the State is really nothing else than the great organization, the great association of the working-classes; and that therefore the help and furtherance, whereby the State should make smaller associations possible, would be nothing but the perfectly natural, right, and legitimate social self-help which the working-classes in their great association render to themselves, to their members as separate individuals.

Once more, then, free private association of workers, but free private association made possible by the supporting and furthering hand of the State, is the sole way out of the desert vouchsafed to the working-class.

But how enable the State to intervene thus? The answer to this will blaze out at once before the eyes of you all like the sun : universal and direct suffrage will alone enable it. If the legislative bodies of Germany proceed from universal and direct suffrage, then and then only will you be able to decide the State to undertake this, its duty. Then will this demand be made in the legislative bodies; then may the limits and forms and means of this intervention be reasonably and scientifically discussed; then, depend upon it, will the men who understand your position and are devoted to your cause, stand beside you armed with the white steel of science, and be able to guard your interests. And then you, the fortuneless classes of society, will anyhow have only to blame yourselves and your bad votes, if, and as long as, the representatives of your cause remain in the minority. Therefore, as now appears, universal direct suffrage is the bottom principle not only for your politics but for your society, the bottom condition of all social aid. It is the sole means of improving the material position of the working-class.

But how effect the introduction of universal direct suffrage? Look at England. The great agitation of the English people

against the Corn Laws lasted for over five years. And then the laws had to go; a Tory Ministry itself had to abolish them.

Organize yourselves as a Universal Union of German Workers for the purpose of a legal and peaceful but unwearying, unceasing agitation for the introduction of universal direct suffrage in every German state. As soon as ever the Union includes but 100,000 German workers, it will be a power with which every one must reckon. Propagate this cry in every workshop, every village, every hut. May the workers of the towns let their higher intelligence and education overflow on to the workers of the country. Debate, discuss, everywhere, every day, without pausing, without ending, as in the great English agitation against the Corn Laws, now in peaceful public assemblies, now in private conferences, the necessity of universal direct suffrage. The more the millions who echo your voice, the more irresistible will be its influence.

Start clubs with funds, to which every member of the German Workers' Union must contribute, and at which projects for organization can be submitted to you.

Found with these funds, which, in spite of the smallness of subscriptions, can form a powerful financial force for purposes of agitation (a weekly contribution of only one silver penny would, if the Union had 100,000 members, provide over 160,000 thalers a year)—found public newspapers, to make this demand daily and prove the reasons for it from the state of society. With the same funds circulate pamphlets for the same purpose. Pay agents out of the Union's funds to carry this intelligence into every corner of the country, to thrill the heart of every worker, every house-servant, every farm-labourer, with this cry. Indemnify out of the Union's funds all workers who have been injured or prosecuted for their activity. Repeat daily, unwearyingly, the same thing, again the same thing, always the same thing. The more it is repeated, the more hold it takes, the stronger its power grows.

The whole art of practical success consists in concentrating one's whole force at any time upon *one* point—the most important point, and looking neither to the right nor to the left. Do not you look either to the right or to the left; be deaf to everything which is not universal direct suffrage or is not connected with it and capable of leading up to it.

If you have—as in a few years you can—really propagated this cry among the 89 or even the 96 per cent. of the whole population, which as I have shown you form the poor and property-less classes of society, then you may be sure your wishes will not long be withstood. Governments can sulk and squabble with the bourgeoisie about political rights, universal suffrage included, so long as political rights are regarded with indifference. But universal suffrage regarded by from 89 to 96 per cent. of the population as a bread-and-butter question and diffused with the heat of bodily appetite through the whole frame of the nation—that, you may be well assured, no power whatever will withstand for long.

That is the sign which you must set up. That is the sign in which you shall conquer. There is no other sign for you.

VI

THE SAINT-MANDÉ PROGRAMME

By A. Millerand

From a speech delivered by A. Millerand on May 30, 1896, to representatives of all the larger groups of French Socialists. Three circumstances give this programme historical importance—the occasion, the audience, and the sequel. Unity was then germinating among French Socialists, and the principal groups made an agreement on the basis, that while any might put up a candidate at the first ballots, all should support at the second ballots whichever Socialist had at the first polled most votes. The question then arose —what, for this purpose, is a Socialist? In the following excerpt may be seen the answer offered by Millerand, in the presence of Jaurès, Jules Guesde, and Édouard Vaillant, the principal leaders of groups, and also of Dr. Flaissières, the Socialist Mayor of Marseilles, and Delory, Mayor of Lille, provincial leaders of the greatest local influence in South and North France respectively. This audience, so representative of the most contrasted spirits in French Socialism, expressed unanimous approval of the programme, by the mouths of the leaders mentioned.

After this date the fuller unity of the groups was achieved, only to be soon shattered again by a number of incidents, of which that of most public importance was Millerand's own entrance into M. Waldeck-Rousseau's Coalition Cabinet (June, 1899). While in office Millerand made a point of publicly asserting his fidelity to the Saint-Mandé Programme, and connecting his policy at the Ministry of Commerce and Industry with it. (Cp. his speech at Lens, Oct. 7, 1900). As a "broad-bottom" programme it would probably be still accepted by most French Socialists.

It may be compared with the Report on Fabian policy, which was presented to the London International Congress of June, 1896, and is therefore very closely contemporary (Fabian Tract, No. 70).

WHAT is the minimum programme, whose acceptance is binding upon whoever claims the title of Socialist? . . . Without at all assuming to solve the question by my private authority, I ask your leave to express quite freely my purely personal opinion on it. At the stage of development which the Socialist party has reached, I consider it to be its interest as well as its duty to define its frontiers with all possible precision. Whither is it going? By what paths does it propose to attain its end? Is it true that it has for its aim the suppression of liberty and confiscation of private property, for its means the recourse to force? These are the traits with which our opponents of every kind usually agree in delineating the Socialist party. Yet does it not appear on the face of it that all the points of this pretended definition—suppression of property, recourse to force—form the crudest antithesis, the most brutal contradiction, to our doctrines as well as our facts?

Liberty; property; constitutionalism.

Is not the Socialistic idea completely summed up in the earnest desire to secure for every being, in the bosom of society, the unimpaired development of his personality? That necessarily implies two conditions, of which one is a factor of the other: first, individual appropriation of things necessary for the security and development of the individual, *i.e.* property; secondly, liberty, which is only a sounding and hollow word if it is not based on and safeguarded by property.

On the other hand, is not this evening's banquet, in which representatives of every shade of opinion in the Socialist party join, the clearest definition of its tactics, and has ever any party in this country more than our own respected and trusted in universal suffrage?

But these two observations, however decisive in the eyes of all sincere judges, cannot suffice for us. We must have it out with our opponents; we must come to close quarters with the doubt which they try to keep up. We must see what lies behind the declamations, and what definitely are the interests

which are sought to be safeguarded against us by those who have constantly on their lips the words "liberty" and "property."

The anarchy of capitalism has often been described. You may characterize it in one sentence, by stating that under it there is no security for any one. Farmers, merchants, manufacturers, intellectual as well as manual workers, are the prey of every chance. But it is this very excess of ill, whence collectivism holds that salvation will spring. "Collectivism!" I have uttered the dreadful word whose magic incantation should arouse against us the millions of urban and rural workers whom "Socialism," certainly, no longer avails to terrify. Of the collectivist idea I will say but one thing;[1] it is not the product of a dreamer's imagination, nor the outcome of a philosopher's conceptions, but the statement, pure and simple, of phenomena being unrolled before our eyes. Men do not and will not set up collectivism; it is setting itself up daily; it is, if I may be allowed the phrase, being secreted by the capitalist *régime*. Under the double influence of the progress of science, of which the development of machinery is only the translation into practice, and of the concentration of capital, we see the small proprietors being expropriated, labour and property being dissociated, and a new feudal class being set up, which is accumulating in its hands the ownership of the instruments of production, to become by a slow but implacable progress the absolute master of the economic, political, and moral life of the whole people, reduced by it to the modern form of slavery called the wages system. Collectivism declares that the wages system will be no more everlasting than were those previous modes of servitude and human exploitation called slavery and serfdom. Collectivism observes that the normal development of capitalistic society replaces individual property, the condition and safeguard of liberty, by the tyrannous monopoly of a minority. It does not rebel

The collectivist view of the capitalist system.

[1] The following passage is extremely Marxian.

against this observed fact; it bows before it. It does not pretend to retrace the course of the centuries, nor decree the transformation of mankind; on the contrary, it adapts itself to its rules. Since it is a law of sociological evolution that all the means of production and exchange pass from the form of individual property to that of capitalistic property, it merely claims that in proportion as these vast capitalistic properties are formed beneath whose rays small property, individual property, withers and dies, in that proportion social property should replace capitalistic.

The *sine qua non* of a Socialist.

Here I seem to have my finger on the characteristic feature of the Socialist programme. In my view, whoever does not admit the necessary and progressive replacement of capitalistic property by social property, is not a Socialist. That is, it cannot merely be a matter of transforming those three categories of the means of production and exchange which may be termed classical ones—credit or banking, transport by rail, and mining enterprises. Here is besides these—I take an instance which discussion cannot damage—an industry incontestably ripe now for social appropriation, because, monopolized in a few hands, yielding its managers vast profits, characterized at once by the perfecting of its machinery and the intense concentration of its capital, it is thoroughly fitted to supply a fertile and easy subject for social management: I mean the sugar-refining industry. It is an instance, and only one; but really, is there anything very novel about this national monopoly, which to-morrow shall restore to all the gain unduly monopolized by a few? Surely, as the representatives of Socialist municipalities in my audience know—only yesterday I had an instance of it in a by no means Socialist commune in one of our eastern departments—surely already, in taking over the distribution of water, light, motor-power, the organization of transport, the use in common of agricultural machines, numerous small communities in town and country have in their sphere replaced capitalistic property by social. This progressive socialization of different categories

of the means of production can only inspire hope and joy in the millions of human beings destined thus to rise, by a progress governed not by men's caprice, but by the nature of things, from the condition of wage-workers to that of co-partners in social wealth; and it would be vain to try rousing against the Socialist party the alarms of the fortunate few who still have in their hands both the means of production and the whole product of their labour. The latter, the small proprietors, not only are not threatened by the change which the Socialist party pursues—since their fragments of property could not be the object of social appropriation—but they will benefit proportionally with every other member of society by the incorporation of the great industries, one after another, in the body of socialized property.

Elasticity and adaptability of the Socialist hypothesis.

I say "one after another." No Socialist has ever dreamed of transforming the capitalistic *régime* instantaneously by a magic wand, nor of building up on a *tabula rasa* an entirely new society. Vandervelde, the eminent thinker and great orator of Belgium, warned his friends in an article on the collectivist evolution against the risk of constructing too hastily and too rigidly at a time when science may upset in a moment the very elements of life—perhaps, as our great chemist, Berthelot, once suggested, by utterly altering our ways of taking food, or, perhaps, by profoundly modifying the conditions of industry through unexpected applications of the transmission of energy. In speaking thus our friend only brought out the two aspects of Socialism—what forms at once its ideal power and its practical greatness. Our philosophers, our ideologues (a fine and a right word—in its proper place) construct systems; collectivism is an ideal and complete plan of society. But if we look upwards, higher and higher, we do not for that lose our foothold; we keep in touch with the firm, resisting ground. We do not substitute our imaginations for the realities amid which we move; and everything we realize is meant to be, and must be, the consequence and result of phenomena already

accomplished. But hypothesis is one of the needful means to progress in every kind of knowledge; and it would be a strange representation, or rather misrepresentation, of the teaching of the geniuses, like Claude Bernard, who have instituted the experimental method, to pretend to compel sociologist or scientist to erase from his papers the fruitful hypothesis.

Its inspiration depends on its broad synthesis of human life and interests.

One of our opponents, I fancy M. Méline himself, once found no better way of taxing our friend Jaurès with the boldness of his views than to call him "the poet of Socialism." Doubtless M. Méline scarcely fancied, as he flung this trait at our friend, that he was paying him the best and most precious compliment ever received either by Jaurès or by the party which is proud of including him. Certainly he is a "poet" in the grandest sense of the word—the supreme orator who has thrilled the soul of the artisan and peasant democracy with the most moving accents heard by a French audience for a hundred years. But it is not given to every party to arouse poets and be defended thus. A lost cause wrapped in the double prestige of tradition and misfortune may know a Berryer. A people arisen to claim its rights or defend its soil may borrow the voice of a Mirabeau or a Danton, or, a century later, a Gambetta; but the capitalist class, wholly tied to the defence of its material interests, without ideals or beliefs, cannot with all its gold purchase an advocate whose voice can win for it the hearts of the people whom it exploits. If Socialism to-day dominates and overshadows every party, if it attracts and retains the passionate interest of every cultivated mind, if it thrills every generous heart, it is because in its large synthesis it embraces every manifestation of life, because nothing human is alien to it, because it alone offers to-day to our hunger for justice and happiness an ideal purely human and apart from all dogma—separating itself thus unmistakably from the "Christian Socialism," which is only a wretched sham Socialism,[1] since,

[1] It is necessary to remind the reader that "Christian Socialism" has an

far from working to set men free, it works only for the rule and dominance of a threatened theocracy.

Socialism does aim at securing for every human being, by a beneficent and quite natural transformation, these two twin blessings, liberty and property, of which the capitalistic *régime* inevitably robs him. But in thus indicating the end which our party pursues, I have answered beforehand the ridiculous charge, so often made, that it expects its ideas to triumph only by violent revolution. Our eminent friend, Gabriel Deville, whom the Fourth Constituency will send next Sunday to sit with us in the Socialist group at the Chamber, said some days ago, strongly and definitely, that we could get the social transformation from no rebel minority, but from a majority with a purpose. Resort to force?—for whom and against whom? Republicans before everything, we do not indulge the crazy idea of appealing to a pretender's sham prestige or a dictator's sword to secure the triumph of our doctrines. We appeal only to universal suffrage. It is the voter whom we want to set economically and politically free. We claim only the right of persuading him. I do not suppose any one will credit us with the absurd intention of taking revolutionary steps against the Senate; which a Radical Ministry, had it vacillated less, would have sufficed to reduce to reason. No, to realize the immediate reforms capable of relieving the lot of the working-class, and thus fitting it to win its own freedom, and to begin, as conditioned by the nature of things, the socialization of the means of production, it is necessary and sufficient for the Socialist party to endeavour to capture the Government through universal suffrage.

The methods of Socialism must be constitutional.

But while in the commune, the department, and the nation Socialism works to replace capitalistic by social property, it cannot lose sight of the general international character, which the development of knowledge, and consequently of human

utterly different meaning in nearly every different country, and that M. Millerand refers to the Christian Socialism of his own.

relations, has stamped upon the social problem. I know how insincerely our opponents have tried to exploit against us the international understanding between the workers. Men who know no frontiers when they want to concert profitable agreements between speculators of any race, cry out for shame and horror at the thought that workers who do not speak the same language can meet to discuss their common interests. These patriots have not feared to fling the fatherland into our domestic quarrels as a handy argument to help their cause. But the good sense of the people has done justice to these shameless manœuvres. At this meeting, where our country's single mind, as also her various aspects, is so strongly asserted, I need not repeat that we have never had the unnatural and insane idea of breaking and throwing away that unique instrument of material and moral progress, forged by the centuries, which is called the French fatherland. No, never; not when, in a few days' time, we receive with all due sympathy and respect Liebknecht, the unfailing champion of the Socialistic idea, the brave defender of right, who in 1871 sacrificed his freedom for his admirable protest against the crime of annexing Alsace-Lorraine which the Iron Chancellor was preparing; not when we receive the German deputy, nor when in a few weeks' time we go to the international Congress at London, shall we ever forget that, while internationalists, we are Frenchmen and patriots. "Patriots" and "internationalists" are two titles that our ancestors of the French Revolution were able nobly to combine.

Socialist internationalism.

Such, citizens, are in my opinion the three essential points which are necessary and sufficient to characterize a Socialistic programme—intervention of the State to convert from capitalistic into national property the different categories of the means of production and exchange in proportion as they become ripe for social appropriation; capture of Government through universal suffrage; international understanding between the workers.

Summary.

VII

FRENCH REFORMIST SOCIALISM

By A. Millerand

The following is a preface to a collection of speeches published by Millerand under the above title in 1903. The reformist method as opposed to the revolutionary, the national interest as beside the internationalism of the Marxists, the "solidarity of classes" as beside the Marxian class-war, and the expediency of Socialists participating in Governments not wholly Socialistic, are the main points of controversy handled. The preface, which appeared some time before the Bordeaux Congress, helped to define some issues there, and its documentary importance has been very widely recognized.

I have collected a few of the speeches which I have delivered in the past ten years, partly by the wish of friends, partly to indicate once more the leading characteristics of a policy to which at least the merit of continuity will be conceded.

A party which is not content with ambitions at short range, which fixes its gaze high and far, requires an ideal; the Socialist party proclaims its own. I once tried to formulate it; I was then fortunate enough to secure the assent of all fractions of the party, voiced by their accredited representatives. Some of those who approved me in 1896 have since withdrawn their approval. One of their complaints against the programme, which they had applauded, is that it won over too quickly too many new adherents. I feel this fault to be a creditable one. Perhaps the programme only fell into it because it was equally removed from vague generalities

admitting of every construction, and from false definiteness which events may soon belie.

It is important to determine with the utmost precision the direction which we wish to follow. Where are we going? What dream of justice, freedom, and happiness is ours? By what means and in what shape do we hope to realize it? These questions must be answered, and the answer which we give is, I think, unequivocal and unambiguous.

* * * * *

In transforming the material world science has simultaneously, by a parallel effect which cannot be escaped, overturned the economic conditions of mankind. A chasm has opened between the lot of the worker of industry, serf no longer of the soil but of the machine, and that of the employer, often an impersonal company, whom he serves without knowing him. In spite of the progress of philosophy, legislation, and morals, there have appeared two opposing classes with economic interests which can only be reconciled by the absorption of the one in the other. Socialism aims, in the social system, at abolishing the classes, as the French Revolution, in the political system, resulted in abolishing the orders. It wishes the wage-earner to rise to the dignity of a partner. It wishes, not that individual property should be abolished in the new humanity—which is an incomprehensible proposal—but, on the contrary, that it should be so transformed and enlarged as to be for every man a sort of natural and necessary extension of himself over things, the indispensable instrument of life and development.

Socialism does not, any more than did the French Revolution, propose to legislate for Frenchmen, or Germans, or Englishmen, but for men. Everywhere where the same stage of civilization has brought with the same greatness the same misery, the same transformations seem to it to be rendered necessary. Thus, in spite of differences of race and language, the sentiment of a common ideal unites across space the Socialist proletariate of the two worlds.

Although it is sketched in large strokes, this ideal cannot therefore without unfairness be reproached as obscure or equivocal. Its two essential characteristics, on the contrary, are quite clearly marked. It pursues, through an international agreement of the workers, the radical transformation of the conditions of property, which should cease to be the appanage of a certain number of men, and become the lot of all.

Some Socialists, in every country, have not withstood the too natural temptation to grasp the problem more closely, and, forestalling time, to build up the whole structure of the future city. These Utopias are unembarrassing, and may even be useful, if people do not forget to take them for what they are —works of imagination, whose shifting shapes are daily modified by reality. They would be dangerous, they might even be fatal, if people were drawn on to claim to crystallize in them Socialist action and thought. Experience has shown, how inevitably errors become manifest, after a relatively short time, even in the constructions of a man of genius.

If it is, I do not say legitimate, but inherent in the progress of all knowledge, that one should use hypotheses, and if the collectivist hypothesis, which we use, derives from the very development of the capitalistic *régime* a singular value, still its legitimate employment must never blind us into mistaking the means for the end. We must beware of becoming the prisoners of necessarily variable formulæ which must change as men progress. Our end is not to erect an immovable edifice on a fixed plan according to a prescribed ritual; it is not to build a church for a sect, but to make the world more habitable for everybody by effacing in succession the social injustices, and by educating a humanity emancipated step by step from internal tyrannies as well as external constraints.

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Education: these few syllables enclose the whole future of mankind. It is true, profoundly true, that the emancipation of the workers will be the task of the workers themselves; we should understand by that, that they must look only to

themselves for their liberation, and especially must make themselves able and worthy to work it out. But how? And this question surely has a cruel irony under a social *régime*, where all the strength of the worker is daily spent in his master's service without his retaining any leisure beyond what repairs for to-morrow's effort the organism worn out by to-day's. So society, which has the greatest interest in the regular and normal march of progress, is compelled to intervene with a view to securing for all its members humane conditions of work.

This position is no longer debated as regards children and women. The regulation of the working day, so far as concerns them, no longer arouses even theoretical opposition. The force of logic has led legislation to adopt the same rule for men working with them. The time is at hand, when by a fortunate necessity the same law will apply to all workers, whatever their age or sex, setting them free to be men and citizens as well as producers.

Equally beyond dispute now is the need of regulating labour so as to secure health and prevent accidents. Perceptible improvements have been made in this respect, particularly in the great industry; much is left to be won. It is no mean advantage to have reached a point where only the facts of cases are disputed, and one does not collide with the barrier of a pretended principle.

Thus there has been embodied and moulded the conception of a legislation protecting the individual, careful of his development, directed towards the defence and the setting in operation of every power and all the wealth contained in germ in the human being.

From this higher idea proceed the laws on education of every grade, whether they are concerned to furnish every child with the small primary capital without which a man will live among his fellows like a foreigner to them, or whether to organize technical education and apprenticeship, or whether to swell the reservoir of superior knowledge

whence every people draws the elements of its prosperity and power.

It is not enough to arm the individual for the struggle, and to take care that the very need of living does not reduce him to a machine's part and rob him of all that makes life valuable or joyous. Man is an organism no less fragile than admirable, beset every yard of the way by accidents and failings, whether they come from conflicts with things, from imperfections of the social system, or from hereditary taints. A whole set of laws is being worked out to prevent or minimize the effects of unemployment, illness, infirmity, accidents, and old age. At the head of this new code of Social Insurance and Prevision might fittingly be inscribed the proclamation of the first of the rights of man—the right to live. On each of its pages it is inspired and vitalized by the feeling of solidarity, which makes easy for collective humanity steps forward which the isolated individual would be powerless even to conceive.

Association, organization: these two fruitful ideas go side by side. A predominant and decisive part must be played by them in social evolution. Through them the weak things of the proletariate will be joined together, and become aware of their strength. Along with power will come knowledge of duties and responsibilities.

Trade-unions, co-operative societies: under these two principal forms, which the proletariate employs with more or less ease and success according to its degree of education, the first grouping takes place.

But the time is, I feel confident, not far off when people will account it in the general interest that the world of workers should not be organized solely outside the factory. The Bill on the friendly regulation of labour disputes, which I introduced, aims precisely at replacing the inorganic mass of workers of the middle-sized and the great industry—exposed in war (I mean strikes), as in peace, to every impulsive influence—by a methodical organization making the workers of every factory into an

ordered group, represented by regular delegates, having habitual and normal relations with the management, fitted for taking deliberate and reflective resolutions. The adoption of its principle will save at once the special interests of the workers and those, inseparable from them, of national production.

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I touch here a subject which does not fail to excite and even to scandalize a certain number of our friends. The national interest, the solidarity of classes—are these questions about which a Socialist has a right to be anxious without betraying the ideal which he claims to serve, the triumph of a humanity freed from class-wars and from wars of nations?

History is made up of elements too numerous and complex for any one to be able, without vanity, to claim to fix a hard-and-fast date for the triumph of his ideas. We fulfil our whole duty if we work in our station, within the limits of our strength, following the law of our nature, to prepare its victory. I have said how high the Socialist ideal is, and how it is not enclosed in the narrow bounds which time and circumstances have fixed for any given nation. All the same, it spreads from men to their neighbours, and no bad way of working for its extension is to take pains first to win over one's fellow-citizens.

How, then, can this propaganda be determined irrespectively of the environment wherein it is carried on? Can method and tactics be the same under different or even opposite *régimes?* If it is true that the Republic is the political formula of Socialism, it follows, of course, that in a country where Socialism has achieved the immense step forward of realizing its political formula, its action and procedure, once it possesses republican forms and universal suffrage, will assume quite a special aspect and character. This means that it is not only the right but the imperative duty of Social Democracy in France to adapt its method to the conditions of the political *régime* in which it moves. It would betray the first of its

duties if it took refuge in mere phrases of revolution in order to be saved the responsibilities and burdens implied by the reformist method and the pursuit of immediate results. It would, by the same act, sacrifice the primordial interests of the proletariate by declining the effort which should, little by little, realize the aggregate of improvements which I tried to resume in an exact summary.

But how will the French Socialist party have the right to call the republican *régime* its own, how will it handle practically that incomparable instrument of reforms, if it affects keeping outside of the Republican party's life and means to isolate itself in the barren part of a systematic critic? It will only win that authority over the nation without which our views cannot be realized, on condition that it remains neither alien nor indifferent to any of its emotions and aspirations. In domestic affairs it must take sides in the battle in which the Republic is engaged, and formulate its opinion, inspiring itself—as how should it else?—by its own ideal, but also by the needs, the thoughts, and the traditions of the Republican democracy, which it continues and from which it inherits. It will not neglect either the good order and prosperity of the public finances, first condition of all social reform, or the maintenance and development of the national production. Public works, improvements destined to promote industry, commerce, and agriculture, judicious management and utilization of our colonial domain,—all these are questions which will claim its scrutiny and retain its attention. It will be the attentive and zealous servant of the nation's greatness and prosperity.

Its patriotism—the more sincere because it hates the noisy declamations of Chauvinist politicians—has nothing to fear from its ardent love of peace and of mankind. Until that unknown date when the Governments agree to lay aside in concert the heavy burden of military expenses, isolated disarmament would be worse than a folly; it would be a crime against the very ideal whose foremost soldier the Socialists see

France to be. While applying themselves to uphold and strengthen our diplomacy in the ways of peace, to draw from past conventions every effect of union and concord which they admit, and to get new treaties concluded tightening the bonds of friendship and solidarity between nations, they will watch no less carefully to preserve the country's independence unendangered by any aggression, through the power of its arms and the security of its alliances. While preparing for the future, they will not forget either the duties created for them by the past or the obligations imposed by the present.

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To pursue successfully this realistic and ideal policy, to make it yield all its fruits, the Socialist party must clearly acknowledge its responsibilities.

I have not dissimulated the end towards which it marches, and I am acquainted with the argument that Socialism can, and indeed should, call itself "revolutionary," since in fact the disappearance of the wage-system will be the most real and radical of revolutions. Words do not frighten me; but I dread equivocations. And what equivocation could be more unfortunate than that of a party masked by a title which contradicts formally its spirit and its method? If we reckon violence reprehensible as well as useless, if legal reforms appear to us at once as our immediate objective and as the sole practical procedure to bring us nearer our distant goal, let us, then, have the courage, not a difficult courage, to call ourselves by our own name, "reformists," since reformists we are. Let us take our courage the whole way; and having declared for the reformist method, let us dare to accept its conditions and consequences. Long before yesterday the French Socialist party gave the first place in its programme to the capture of government; long before to-day it passed from theories to acts, and sent its campaigners into town-halls, into departmental assemblies, into Parliament; it did not do so without resigning itself to the daily compromises which are the price of action, and allying itself with the parties near to it. Having

gone so far, being persuaded more than ever of the utility and necessity of a method which has proved its value in experience, by what aberration should it desert that method at the very moment when it is becoming most effective? By what inconsistency should it consent to canvass every mandate, and yet rigorously forbid itself to join in the Government, and take, along with the highest responsibilities, the most certain power?

Such an illogical course, if possible to continue, would soon ruin the credit and influence of the party weak enough and sufficiently uncertain of itself to commit it. To put the people off to the mysterious date when a sudden miracle will change the face of the world, or day by day, reform by reform, by a patient and stubborn effort to win step by step all progress—those are the two methods which we must choose between.

Faithful to its principles and to the method which is its own, equally careful not to arouse chimerical hopes, and not to break its promises, French reformist Socialism will be able to assume every responsibility; it will not decline any of the burdens imposed on it by its deep feeling of duty towards its ideal and towards its country.

VIII

THE LABOUR QUESTION FROM THE SOCIALIST STANDPOINT

By William Morris

This lecture was one of a series delivered in Scotland in the summer of 1886, in which the Secretary of the Amalgamated Society of Engineers, the London Manager of the Co-operative Wholesale Society, Professor Foxwell, Professor Patrick Geddes, and Dr. Alfred Russell Wallace, also took part.

William Morris's definite accession to Socialism may be dated from the beginning of 1883. He then joined the Social Democratic Federation; but in December, 1885, founded the Socialist League, whose organ, the "Commonweal," he edited till 1889. In 1890 he left the League, which soon afterwards collapsed.

His work represents the first revival of Socialism in England through the importation of the Marxist doctrine. It also derives a large element from his personal genius, which, while missing the mass of workers at which it was aimed, has left its mark upon nearly all the leaders.

I have been asked to give you the Socialist view on the Labour Question. Now, in some ways that is a difficult matter to deal with—far beyond my individual capacities—and would also be a long business; yet in another way, as a matter of principle, it is not difficult to understand or long to tell of, and it does not need previous study or acquaintance with the works of specialists or philosophers. Indeed, if it did, it would not be a political subject, and I hope to shew you that it is pre-eminently political in the sense in which I should use the word;

that is to say, that it is a matter which concerns every one, and has to do with the practical everyday relations of his life, and that not only as an individual, but as a member of a body corporate, nay, as a member of that great corporation—humanity. Thus considered it would be hard indeed if it could not be understood readily by a person of ordinary intelligence who can bring his mind to bear upon prejudice. Such a person can learn the basis of the opinion in even an hour's talk, if the matter be clearly put before him: it is my task to attempt this; and whether I fail or succeed, I can at least promise you to use no technical phrases which would require explanation; nor will I, as far as I can help, go into any speculative matter, but will be as plain and practical as I can be.

Yet I must warn you that you may be disappointed when you find that I have no elaborate plan, no details of a new society to lay before you, that to my mind to attempt this would be putting before you a mere delusion. What I ask you to consider is in the main the clearing away of certain obstacles that stand in the way of the due and unwasteful use of labour—a task not light, indeed, nor to be accomplished without the most strenuous effort in the teeth of violent resistance, but yet not impossible for humanity as we know it, and, as I firmly believe, not only necessary, but as things now are, the one thing essential to be undertaken.

Now, you all know that, taking mankind as a whole, it is necessary for man to labour in order to live. Certainly not all things that we enjoy are the works of man's labour; the beauty of the earth, and the action of Nature on our sensations, are always here for us to enjoy, but we can only do so on the terms of our keeping ourselves alive and in good case by means of labour, and no inventions can set aside that necessity. The merest savage has to pluck the berry from the tree, or dig up the root from the ground before he can enjoy his dog-like sleep in sun or shade; and there are no savages who have not got beyond that stage, while the progressive races of mankind have for many ages got a very long way beyond it, so

that we have no record of any time when they had not formed some sort of society, whose aim was to make the struggle with Nature for subsistence less hard than it otherwise would have been, to win a more abundant livelihood from her.

We cannot deal at any length with the historical development of society; our object is simply to inquire into the constitution of that final development of society under which we live. But one may first ask a few questions :—1st, Since the community generally must labour in order that the individuals composing it may subsist, and labour harder in order that they may attain further advantages, ought not a really successful community so to arrange that labour that each capable person should do a fair share of it and no more? 2nd, Should not a really successful community—established surely for the benefit of all its members—arrange that every one who did his due share of labour should have his due share of the wealth earned by that labour? 3rd, If any labour was wasted, such waste would throw an additional burden on those who produced what was necessary and pleasant to existence. Should not a successful community, therefore, so organize its labour that it should not be wasted? You must surely answer "Yes" to each of these three questions. I will assert, then, that a successful society—a society which fulfilled its true functions—would take care that each did his due share of labour, that each had his due share of wealth resulting from that labour, and that the labour of persons generally was not wasted. I ask you to remember those three essentials of a successful society throughout all that follows, and now to let me apply them as a test of success to that society in which we live, the latest development of so many ages of the struggle with Nature, our elaborate and highly organized civilization.

In our society, does each capable person do his fair share of labour? Is his share of the wealth produced proportionate to his labour? Is the waste of labour avoided in our society?

You may, perhaps, hesitate in your answer to the third question; you cannot hesitate to say "No" to the two first. I

think, however, I shall be able to show you that much labour is wasted, and that, therefore, our society fails in the three essentials necessary for a successful society. Our civilization, therefore, though elaborate and highly organized, is a failure; that is, supposing it to be the final development of society, as some people, nay, most people, suppose it to be.

Now a few words as to the course of events which have brought us to the society of the present day. In periods almost before the dawn of continuous history, the early progressive races from which we are descended were divided into clans or families, who held their wealth, such as it was, in common within the clan, while all outside the clan was hostile, and wealth not belonging to the clan was looked upon as prize of war. There was consequently continual fighting of clan with clan, and at first all enemies taken in war were slain; but after a while, as man progressed and got defter with his hands, and learned how to make more effective tools, it began to be found out that, so working, each man could do more than merely sustain himself; and then some of the prisoners of war, instead of being slain on the field, were made slaves of; they had become valuable for work, like horses. Out of the wealth they produced their masters or owners gave them sustenance enough to live on and took the rest for themselves. Time passed, and the complexity of society grew, the early barbarism passed through many stages into the ancient civilizations, of which Greece and Rome were the great representatives; but this civilization was still founded on slave labour; most of its wealth was created by men who could be sold in the market like cattle. But as the old civilizations began to decay, this slave labour became unprofitable; the countries comprised in the Roman Empire were disturbed by constant war; the Governments, both central and provincial, became mere tax-gathering machines, and grew so greedy that things became unbearable. Society became a mere pretext for tax-gathering, and fell to pieces, and chattel slavery fell with it, since under all these circumstances slaves were no longer valuable.

Then came another change. A new society was formed, partly out of the tribes of barbarians who had invaded the Roman Empire, and partly out of the fragments of that empire itself; the feudal system arose, bearing with it new ideas, which I have not time to deal with here and now. Suffice it to say, that in its early days mere chattel slavery gave place to serfdom. Powerful men, privileged men, had not forgotten that men can produce more by a day's labour than will keep them alive for a day; so now they settled their labourers on certain portions of land, stocked their land with them, in fact, and on these lands they had leave to live as well as they might on the condition that they should work a certain part of their time on the land which belonged to their lords. The average condition of these serfs was better than that of the chattel slaves. They could not be bought and sold personally, they were a part of the manor on which they lived, and they had as a class a tendency to become tenants by various processes. In one way or another these serfs got gradually emancipated, and during a transitional period, lasting through the two last centuries of the Middle Ages, the fourteenth and fifteenth centuries, the labour classes were in a far better position than they had been before, and in some ways than they have been since, suffering more from spasmodic arbitrary violence than from chronic legal oppression. The transition from this period to our own days is one of the most interesting chapters of history; but it is impossible for me to touch on it here. All I can say is, that the emancipated serfs formed one of the elements that went to make up our present middle class, and that a new class of workers grew up beneath them—men who were not owned by any one, who were bound by no legal ties to such and such a manor, who might earn what livelihood they could for themselves under certain conditions, which I will presently try to lay before you, and which are most important to be considered, for this new class of so-called free labourers has become our modern working-class.

Now it will be clear to you, surely, how much and how

grievously both the classical period, with its chattel slavery, and the feudal system, with its serfdom, fell short of the society which we have set before us as reasonably successful. In each of them there was a class obviously freed from the necessity of labour, by means of the degradation of another class which laboured excessively and reaped but a small reward for its excessive labour. Surely there was something radically wrong in these two societies. From the fact that labour is necessary for man's life on the earth, and that Nature yields her abundance to labour only, one would be inclined to deduce the probability that he who worked most would be the best off; but in these slave and serf societies the reverse was the case: the man of leisureless toil lived miserably, the man who did nothing useful lived abundantly. Then, again, as to our third test, was there no waste of labour? Yes, indeed, there was waste most grievous. I have said that the slave-owner or the lord of the manor did nothing useful, and yet he did something—he was bound to do something, for he was often energetic, gifted, and full of character—he made war ceaselessly, consuming thereby the wealth which his slaves or his serfs created, and forcing them to work the more grievously. Here was waste enough, and lack of organization of labour.

Well, all this people found no great difficulty in seeing, and few would like, publicly at least, to confess a regret for these conditions of labour, although in private some men, less hypocritical or more logical than the bulk of reactionists, admit that they consider the society of cultivated men and chattel slaves the best possible for weak human nature. Yet though we can see what has been, we cannot so easily see what is; and I admit that it is especially hard for people in our civilization, with its general freedom from the ruder forms of violence, its orderly routine life, and, in short all, that tremendous organization whose very perfection of continuity prevents us from noticing it,—I say it is hard for people under the quiet order and external stability of modern society to note

that much the same thing is going on in the relations of employers to the employed, as went on under the slave society of Athens, or under the serf-sustained baronage of the thirteenth century.

For I assert that with us, as with the older societies, those who work hardest fare the worst, those who produce the least get the most; while as to the waste of labour that goes on, the waste of times past is as nothing compared with what is wasted to-day.

I must now justify this view of mine, and if possible get you to agree with it, by pointing out to you how society at the present day is constituted.

Now, as always, there are only two things essential to the production of wealth—labour and raw material; every one can labour who is not sick or in nonage, therefore every one, except those, if he can get at raw material, can produce wealth; but without that raw material he cannot produce anything—anything, that is, that man can live upon; and if he does not labour he must live at the expense of those that do; unless, therefore, every one can get at the raw material and instruments of production, the community in general will be burdened by the expense of so many useless mouths, and the sum of its wealth will be less than it ought to be. But in our civilized society of to-day the raw material and the instruments of production are monopolized by a comparatively small number of persons, who will not allow the general population to use them for production of wealth unless they pay them tribute for doing so; and since they are able to exact this tribute they themselves are able to live without producing, and consequently are a burden on the community. Nor are these monopolists content with exacting a bare livelihood from the producers, as mere vagabonds and petty thieves do; they are able to get from the producers in all cases an abundant livelihood, including most of the enjoyments and advantages of civilization, and in many cases a position of such power that they are practically independent of the community, and

almost out of reach of its laws—although, indeed, the greater part of those laws were made for the purpose of upholding this monopoly—and wherever necessary they do now use the physical force, which by one means or another they have under their control, for such upholding.

These monopolists, or capitalists, as one may call them broadly (for I will not at present distinguish the land capitalists from the money capitalists), are in much the same position as the slave-owners of ancient Greece and Rome, or the serf-masters of the thirteenth century; but they have this advantage over them, that though really they sustain their position by mere compulsion, just as the earlier masters did, that compulsion is not visible as the compulsion of the earlier times was, and it is very much their business to prevent it becoming visible, as may be well imagined. But as I am against monopoly and in favour of freedom, I must try to get you to see it; since seeing it is the first step towards feeling it, which in its turn is sure to lead to your refusing to bear it.

I have spoken of the tribute which the capitalists exact as the price of the use of those means of production which ought to be as free to all as the air we breathe is, since they are as necessary to our existence as it is. How do they exact the tribute? They are, to start with, in a good position, you see, because, even without any one's help, they could use the labour-power in their own bodies on the raw material they have, and so earn their livelihood; but they are not content with that, as I hinted above—they are not likely to be, because their position, legalized and supported by the whole physical force of the State, enables them "to do better for themselves," as the phrase goes—they can use the labour-power of the disinherited, and force them to keep them without working for production. Those disinherited, however, they must keep alive to labour, and they must allow them also opportunity for breeding—these are necessities that pressed equally on the ancient slave-owner or the mediæval lord of the manor, or,

indeed, on the owner of draught cattle; they must at least do for the workers as much as for a machine, supply them with fuel to enable them to work; nor need they do more if they are dealing with men who have no power of resistance. But these machines are human ones, instinct with desires and passions, and therefore they cannot help trying to better themselves; and they cannot better themselves except at the expense of the masters, because whatever they produce more than the bare necessaries of life the masters will at once take from them if they can; therefore they have always resisted the full exercise of the privilege of the masters, and have tried to raise their standard of livelihood above the mere subsistence limit. Their resistance has taken various forms, from peaceful strikes to open war, but it has always been going on, and the masters, when not driven into a corner, have often yielded to it, although unwillingly enough; but it must be said that mostly the workers have claimed little more than mere slaves would, who might mutiny for a bigger ration. For, in fact, this wage paid by our modern masters is nothing more than the ration of the slave in another form; and when the masters have paid it, they are free to use all the rest that the workers produce, just as the slave-owner takes all that the slave produces. Remember at this point, therefore, that everything more than bare subsistence which the workers make to-day, they make by carrying on constant war with their masters. I must add that their success in this war is often more apparent than real, and too often it means little more than shifting the burden of extreme poverty from one group of the workers to another; the unskilled labourers, of whom the supply is unlimited, do not gain by it, and their numbers have a tendency to increase, as the masters, driven to their shifts, use more and more elaborate machines in order to dispense with the skilled labour, and also use the auxiliary labour of women and children, to whom they do *not* pay subsistence wages, thereby keeping down the wages of the head of the family, and depriving him and them of the mutual help and

comfort in the household, which would otherwise be gained from them.

Thus, then, the capitalists, by means of their monopoly of the means of production, compel the worker to work for less than his due share of the wealth which he produces,—that is, for less than he produces; he must work, he will die else, and as they are in possession of the raw material, he must agree to the terms they enforce upon him. This is the "free contract" of which we hear so much, and which, to speak plainly, is a capitalist lie. There is no way out of this freedom save rebellion of some kind or other—strike-rebellion, which impoverishes the worker for the time, whether they win the strike or lose it; or the rebellion of open revolt, which will be put down always, until it is organized for a complete change in the basis of society.

Now to show you another link or two of the chain which binds the workers. There is one thing which hampers this constant struggle of the workers towards bettering their condition at the expense of their masters, and that is competition for livelihood amongst them. I have told you that unskilled labour is practically unlimited; and machines, the employment of women and children, long hours of work, and all that cheapening of production so much bepraised now, bring about this state of things, that even in ordinary years there are more hands than there is work to give them. This is the great instrument of compulsion of modern monopoly; people undersell one another in our modern slave-market, so that the employers have no need to use any visible instrument of compulsion in driving them towards work; and the invisibility of this whip—the fear of death by starvation—has so muddled people's brains, that you may hear men, otherwise intelligent, *e.g.*, answering objections to the uselessness of some occupation by saying, "But, you see, it gives people employment," although they would be able to see that if three of them had to dig a piece of ground, and one of them knocked off, and was "employed" in throwing chuckie stones into the water, the

other two would have to do his share of the work as well as their own.

Another invisible link of the chain is this, that the workman does not really know his own master; the individual employer may be, and often is, on good terms with his men, and really unconscious of the war between them, although he cannot fail to know that if he pays more wages to his men than other employers in the same line of business as himself do, he will be beaten by them. But the workman's real master is not his immediate employer, but his *class*, which will not allow even the best-intentioned employer to treat his men otherwise than as profit-grinding machines. By his profit, made out of the unpaid labour of his men, the manufacturer must live, unless he gives up his position and learns to work like one of his own men, which, indeed, as a rule he could not do, as he has usually not been taught to do any useful work; therefore, as I have said, he must reduce his wages to the lowest point he can, since it is on the margin between his men's production and their wages that his profit depends; his class, therefore, compels him to compel his workmen to accept as little as possible. But further, the workman is a consumer as well as a producer; and in that character he has not only to pay rent to a landlord (and far heavier proportionately than rich people have to pay), and also a tribute to the middleman who lives without producing and without doing service to the community, by passing money from one pocket to another, but he also has to pay (as consumer) the profits of the other manufacturers who superintend the production of the goods he uses. Again, as a mere member of society, a should-be citizen, he has to pay taxes, and a great deal more than he thinks; he has to pay for wars, past, present, and future, that are never meant to benefit him, but to force markets for his masters, nay, to keep him from rebellion, from taking his own at some date; he has also to pay for the thousand and one idiocies of parliamentary government, and ridiculous monarchical and official state—for the mountain of precedent, nonsense, and chicanery, with

its set of officials, whose business it is, under the name of law, to prevent justice being done to any one. In short, in one way or another, when he has by dint of constant labour got his wages into his pocket, he has them taken away from him again by various occult methods, till it comes to this at last, that he really works an hour for one-third of an hour's pay; while the two-thirds go to those who have not produced the wealth which they consume.

Here, then, as to the first and second conditions of a reasonable society: (1) That the labour should be duly apportioned; (2) that the wealth should be duly apportioned. Our society does not merely fail in them, but positively inverts them; with us, those who consume most produce least, those who produce most consume least.

There yet remains something to be said on the third condition of a fair state of society: that it should look to it that labour be not wasted. How does civilization fare in this respect? I have told you what was the occupation of the ancient slave-holders, set free by slave-labour from the necessity of producing—it was fighting with each other for the aggrandisement, in earlier times of their special city, in later of their own selves; similarly, the mediæval baron, set free from the necessity of producing by the labour of the serfs who tilled his lands for him, occupied himself with fighting for more serf-tilled land either for himself or for his suzerain. In our own days we see that there is a class freed from the necessity of producing by the tribute paid by the wage-earner. What does *our* free class do? how does it occupy the lifelong leisure which it forces toil to yield to it?

Well, it chiefly occupies itself in war, like those earlier non-producing classes, and very busy it is over it. I know, indeed, that there is a certain portion of the dominant class that does not pretend to do anything at all, except perhaps a little amateur reactionary legislation, yet even of that group I have heard that some of them are very busy in their estate offices trying to make the most of their special privilege, the

monopoly of the land; and, taking them altogether, they are not a very large class: Of the rest some are busy in taxing us and repressing our liberties directly, as officers in the army and navy, magistrates, judges, barristers, and lawyers; they are the salaried officers on the part of the masters in the great class struggle. Other groups there are, as artists and literary men, doctors, schoolmasters, etc., who occupy a middle position between the producers and the non-producers; they are doing useful service, and ought to be doing it for the community at large, but practically they are only working for a class, and in their present position are little better than hangers-on of the non-producing class, from whom they receive a share of their privilege, together with a kind of contemptuous recognition of their position as gentlemen—heaven save the mark! But the great mass of the non-producing classes are certainly not idle in the ordinary sense of the word; they could not be, for they include men of great energy and force of character, who would, as all reasonable men do, insist on some serious or exciting occupation; and I say once again their occupation is war, though it is "writ large," and called competition. They are, it is true, called organizers of labour; and sometimes they do organize it, but when they do they expect an extra reward for so doing outside their special privilege. A great many of them, though they are engaged in the war, sit at home at ease, and let their generals, their salaried managers to wit, wage it for them—I am meaning here shareholders, or sleeping-partners—but whenever they are active in business they are really engaged in organizing the war with their competitors, the capitalists in the same line of business as themselves; and if they are to be successful in that war they must not be sparing of destruction, either of their own or of other people's goods; nay, they not unseldom are prepared to further the war of sudden, as opposed to that of lingering, death, and of late years they have involved pretty nearly the whole of Europe in attacks on barbarian or savage peoples, which are only distinguishable from sheer piracy by their being carried

on by nations instead of individuals. But all that is only by the way; it is the ordinary and necessary outcome of their operations that there should be periodical slackness of trade following on times of inflation, from the fact that every one tries to get as much as he can of the market to himself at the expense of every one else, so that sooner or later the market is sure to be overstocked, so that wares are sold sometimes at less than the cost of production, which means that so much labour has been wasted on them by misdirection. Nor is that all; for they are obliged to keep an army of clerks and such like people, who are not necessary either for the production of goods or their distribution, but are employed in safeguarding their master's interests against their master's competitors. The waste is further increased by the necessity of these organizers of the commercial war for playing on the ignorance and gullibility of the customers by two processes, which in their perfection are specialities of the present century, and even, it may be said, of this latter half of it—to wit, adulteration and puffery. It would be hard to say how much ingenuity and pains-taking have been wasted on these incidents in the war of commerce, and I am wholly unable to get any statistics of them; but we all know that an enormous amount of labour is spent on them, which is at the very best as much wasted as if those engaged on it were employed in digging a hole and filling it up again.

But, further, there is yet another source of waste involved in our present society. The grossly unequal distribution of wealth forces the rich to get rid of their surplus money by means of various forms of folly and luxury, which means further waste of labour. Do not think I am advocating asceticism. I wish us all to make the utmost of what we can obtain from Nature to make us happier and more contented while we live; but, apart from reasonable comfort and real refinement, there is, as I am sure no one can deny, a vast amount of sham wealth and sham service created by our miserable system of rich and poor, which makes no human

being the happier on the one hand, while on the other it withdraws vast numbers of workers from the production of real utilities, and so casts a heavy additional burden of labour on those who are producing them. I have been speaking hitherto of a producing and a non-producing class, but I have been quite conscious all the time that though the first class produces whatever wealth is created, a very great many of them are prevented from producing wealth at all, are being set to nothing better than turning a wheel that grinds nothing —save their own lives. Nay, worse than nothing. I hold that this sham wealth is not merely a negative evil (I mean in itself), but a positive one. It seems to me that the refined society of to-day is distinguished from all others by a kind of gloomy cowardice—a stolid but timorous incapacity of enjoyment. He who runs may read the record of the unhappy rich not less than that of the unhappy poor, in the futility of their amusements and the degradation of their art and literature.

Well, then, the third condition of a reasonable society is violated by our present so-called society; the tremendous activity, energy, and invention of modern times is to a great extent wasted; the monopolists force the workers to waste a great part of their labour-power, while they waste almost the whole of theirs. Our society, therefore, does not fulfil the true functions of society. Now, the constitution of all society requires that each individual member of it should yield up a part of his liberty in return for the advantages of mutual help and defence; yet at bottom that surrender should be part of the liberty itself: it should be voluntary in essence. But if society does not fulfil its duties towards the individual, it wrongs him; and no man voluntarily submits to wrong—nay, no man ought to. The society, therefore, that has violated the essential conditions of its existence must be sustained by *mere* brute force; and that is the case of our modern society, no less than that of the ancient slave-holding and the mediæval serf-holding societies. As a practical

deduction, I ask you to agree with me that such a society should be changed from its base up, if it be possible. And, further, I must ask how, by what, and by whom, such a revolution can be accomplished? But before I set myself to deal with these questions, I will ask you to believe that, though I have tried to argue the matter on first principles, I do not approach the subject from a pedantic point of view. If I could believe that, however wrong it may be in theory, our present system works well in practice, I should be silenced. If I thought that its wrongs and anomalies were so capable of palliation, that people generally were not only contented but were capable of developing their human faculties duly under it, and that we were on the road to progress without a great change, I for one would not ask any one to meddle with it. But I do not believe that, nor do I know of any thoughtful person that does. In thoughtful persons I can see but two attitudes; on the one hand the despair of pessimism, which I admit is common, and on the other a desire and hope of change. Indeed, in a year like the present, when one hears on all sides and from all classes of what people call depression of trade, which, as we too well know, means misery at least as great as that which a big war bears with it; and when on all sides there is ominous grumbling of the coming storm, the workers unable to bear the extra burden laid upon them by the "bad times,"—in such a year there is, I do not say no hope, but at least no hope except in those changes, the tokens of which are all around us.

Therefore, again I ask how, or by what, or by whom, the necessary revolution can be brought about? What I have been saying hitherto has been intended to show you that there has always been a great class struggle going on, which is still sustained by our class of monopoly and our class of disinheritance. It is true that in former times no sooner was one form of that class struggle over than another took its place; but in our days it has become much simplified, and has cleared itself by progress through its various stages of

mere accidental circumstances. The struggle for political equality has come to an end, or nearly so; all men are (by a fiction, it is true) declared to be equal before the law, and compulsion to labour for another's benefit has taken the simple form of the power of the possessor of money, who is all-powerful; therefore if, as we Socialists believe, it is certain that the class struggle must one day come to an end, we are so much nearer to that end by the passing through of some of its necessary stages; history never returns on itself.

Now, you must not suppose, therefore, that the revolutionary struggle of to-day, though it may be accompanied (and necessarily) by violent insurrection, is paralleled by the insurrections of past times. A rising of the slaves of the ancient period, or of the serfs of the mediæval times, could not have been permanently successful, because the time was not ripe for such success, because the growth of the new order of things was not sufficiently developed. It is indeed a terrible thought that, although the burden of injustice and suffering was almost too heavy to be borne in such insurrectionary times, and although all popular uprisings have right on their side, they could not be successful at the time, because there was nothing to put in the place of the unjust system against which men were revolting. And yet it is true, and it explains the fact that the class antagonism is generally more felt when the oppressed class is bettering its condition than when it is at its worst. The consciousness of oppression then takes the form of hope, and leads to action, and is, indeed, the token of the gradual formation of a new order of things underneath the old decaying order.

Most thoughtful people are conscious of the fact that the tendency of the times is to make the labour classes the great power of the epoch, in the teeth of the other fact that labour is at least as directly under the domination of a privileged class as ever it was. Now these two facts taken together: the obvious uprising of the workers in the scale, and their being face to face with a class that lives by exploiting their labour,—

these two facts seem to us Socialists to show that one of these classes must give way, and that this giving way must mean that one of those classes must be absorbed in the other, and so the class-war be ended. If that position be accepted, it is clear that the class that must come alive out of the struggle must be the producing class, the useful class; therefore the Socialist's view of the labour question is that a new society is in course of development from the working-classes—the producing classes, more properly—and that the other classes which now live on their labour will melt into that class. The result of that will be, that, so far as society has any conscious organization, it will be an instrument for the arrangement of labour so as to produce wealth from natural material, and to distribute the wealth when produced without waste of labour; that is to say, it will satisfy those ideal conditions of its reason for existence which I began by putting before you.

I told you that I was not prepared to give you any details of the arrangement of a new state of society; but I am prepared to state the principles on which it would be founded, and the recognition of which would make it easy for serious men to deal with the details of arrangement. Socialism asserts that every one should have free access to the means of production of wealth—the raw material and the stored-up force produced by labour; in other words, the land, plant, and stock of the community, which are now monopolized by certain privileged persons, who force others to pay for their use. This claim is founded on the principle which lies at the bottom of Socialism, that the right to the possession of wealth is conferred by the possessor having worked towards its production, and being able to use it for the satisfaction of his personal needs. The recognition of this right will be enough to guard against mere confusion and violence. The claim to property on any other grounds must lead to what is in plain terms robbery; which will be no less robbery because it is organized by a sham society, and must be no less supported by violence because it is carried on under the sanction of the law.

Let me put this with somewhat more of detail. No man has made the land of the country, nor can he use more than a small portion of it for his personal needs; no man has made more than a small portion of its fertility, nor can use personally more than a small part of the results of the labour of countless persons, living and dead, which has gone to produce that fertility. No man can build a factory with his own hands, or make the machinery in it, nor can he use it, except in combination with others. He may call it his, but he cannot make any use of it as his alone, unless he is able to compel other people to use it for his benefit; this he does not do personally, but our sham society has so organized itself that by its means he can compel this unpaid service from others. The magistrate, the judge, the policeman, and the soldier, are the sword and pistol of this modern highwayman, and I may add that he is also furnished with what he can use as a mask under the name of morals and religion.

Now, if these means of production—the land, plant, and stock—were really used for their primary uses, and not as means for extracting unpaid labour from others, they would be used by men working in combination with each other, each of whom would receive his due share of the results of that combined labour; the only difficulty would then be what would be his due share, because it must be admitted on all hands that it is impossible to know how much each individual has contributed towards the production of a piece of co-operative labour; but the principle once granted that each man should have his due share of what he has created by his labour, the solution of the difficulty would be attempted, nay, is now hypothetically attempted, in various ways, in two ways mainly. One view is that the State—that is, society organized for the production and distribution of wealth—would hold all the means of the production of wealth in its hands, allowing the use of them to whomsoever it thought could use them, charging rent, perhaps, for their use, but which rent would be used again only for the benefit of the whole community, and

therefore would return to the worker in another form. It would also take on itself the organization of labour in detail, arranging the how, when, and where, for the benefit of the public,—doing all this, one must hope, with as little centralization as possible; in short, the State, according to this view, would be the only employer of labour. No individual would be able to employ a workman to work for him at a profit, *i.e.* to work for less than the value of his labour (roughly estimated), because the State would pay him the full value of it; nor could any man let land or machinery at a profit, because the State would let it without the profit. It is clear that if this could be carried out, no one could live without working. When a man had spent the wealth he had earned personally, he would have to work for more, as there would be no tribute coming to him from the labour of past generations; on these terms he could not accumulate wealth, nor would he desire to, for he could do nothing with it except satisfy his personal needs with it, whereas at present he can turn the superfluity of his wealth into capital, *i.e.* wealth used for the extraction of profit. Thus society would be changed. Every one would have to work for his livelihood, and everybody would be able to do so; whereas at present there are people who refuse to work for their livelihood, and forbid others to do so. Labour would not be wasted, as there would be no competing employers, gambling in the market, and using the real producer and the consumer as their milch cows. The limit of price would be the cost of production, so that buying and selling would be simply the exchange of equivalent values, and there would be no loss on either side in the transaction. Thus there would be a society in which every one would have an equal chance for well-doing, for, as a matter of course, arrangements would be made for the sustaining of people in their nonage, for keeping them in comfort if they were physically incapacitated from working, and also for educating every one according to his capacities. This would at the least be a society which would try to perform those functions of seeing

that every one did his due share of work and no more, and had his due share of wealth and no less, and that no labour was wasted, which I have said were the real functions of a true society.

But there is another view of the solution of the difficulty as to what constitutes the due share of the wealth created by labour. Those who take it say, since it is not really possible to find out what proportion of combined labour each man contributes, why profess to try to do so? In a properly ordered community all work that is done is necessary on the one hand, and on the other there would be plenty of wealth in such a community to satisfy all reasonable needs. The community holds all wealth in common, but has the same right to holding wealth that the individual has, namely, the fact that it has created it and uses it; but as a community it can only use wealth by satisfying with it the needs of every one of its members—it is not a true community if it does less than this—but their needs are not necessarily determined by the kind or amount of work which each man does, though, of course, when they are that must be taken into account. To say the least of it, men's needs are much more equal than their mental or bodily capacities are; their ordinary needs, granting similar conditions of climate and the like, are pretty much the same, and could, as above said, be easily satisfied. As for special needs for wealth of a more special kind, reasonable men would be contented to sacrifice the thing which they needed less for that which they needed more; and for the rest, the varieties of temperament would get over the difficulties of this sort. As to the incentives to work, it must be remembered that even in our own sham society most men are not disinclined to work, so only that their work is not that which they are compelled to do; and the higher and more intellectual the work is, the more men are resolved to do it even in spite of obstacles. In fact, the ideas on the subject of the reward of labour in the future are founded on its position in the present. Life is such a terrible

struggle for the majority, that we are all apt to think that a specially gifted person should be endowed with more of that which we are all compelled to struggle for—money, to wit—and to value his services simply by that standard. But in a state of society in which all were well-to-do, how could you reward extra services to the community? Give your good worker immunity from work? The question carries with it the condemnation of the idea, and moreover, that will be the last thing he will thank you for. Provide for his children? The fact that they are human beings with a capacity for work is enough; they are provided for in being members of a community which will see that they neither lack work nor wealth. Give him more wealth? Nay; what for? What can he do with more than he can use? He cannot eat three dinners a day, or sleep in four beds. Give him domination over other men? Nay, if he be more excellent than they are in any art, he must *influence* them for his good and theirs, if they are worth anything; but if you make him their arbitrary master, he will govern them, but he will not influence them; he and they will be enemies, and harm each other mutually. One reward you can give him, that is, opportunity for developing his special capacity, but that you will do for everybody and not the excellent only. Indeed, I suppose he will not, if he be excellent, lack the admiration—or perhaps it is better to say the affection—of his fellow-men, and he will be all the more likely to get that when the relations between him and them are no longer clouded by the fatal gift of mastership.

In short, in a duly ordered community, everybody would do what he could do best, and therefore easiest, and with most pleasure. He who could do the higher work would do it as easily as the man whose capacity was less would do the lower work; there would be no more wear and tear to him in it, or if there were, it would mean simply that his needs were greater, and would have to be considered accordingly.

Moreover, those who see this view of the new society

believe that decentralization in it would have to be complete. The political unit with them is not a Nation, but a Commune; the whole of reasonable society would be a great federation of such communes, federated for definite purposes of the organization of livelihood and exchange. For a mere nation is the historical deduction from the ancient tribal family, in which there was peace between the individuals composing it, and war with the rest of the world. A nation is a body of people kept together for purposes of rivalry and war with other similar bodies, and when competition shall have given place to combination the function of the nation will be gone.

I will recapitulate, then, the two views taken among Socialists as to the future of society. According to the first, the State—that is, the nation organized for unwasteful production and exchange of wealth—will be the sole possessor of the national plant and stock, the sole employer of labour, which she will so regulate in the general interest that no man will ever need to fear lack of employment and due earnings therefrom. Everybody will have an equal chance of livelihood, and, except as a rare disease, there would be no hoarding of money or other wealth. This view points to an attempt to give everybody the full worth of the productive work done by him, after having ensured the necessary preliminary that he shall always be free to work.

According to the other view, the centralized nation would give place to a federation of communities who would hold all wealth in common, and would use that wealth for satisfying the needs of each member, only exacting from each that he should do his best according to his capacity towards the production of the common wealth. Of course, it is to be understood that each member is absolutely free to use his share of wealth as he pleases without interference from any, so long as he really uses it, that is, does not turn it into an instrument for the oppression of others. This view intends complete equality of condition for every one, though life would be as always, varied by the differences of capacity

and disposition; and emulation in working for the common good would supply the place of competition as an incentive.

These two views of the future of society are sometimes opposed to each other as Socialism and Communism; but to my mind the latter is simply the necessary development of the former, which implies a transition period, during which people would be getting rid of the habits of mind bred by the long ages of tyranny and commercial competition, and be learning that it is to the interest of each that all should thrive.

When men had lost the fear of each other engendered by our system of artificial famine, they would feel that the best way of avoiding the waste of labour would be to allow every man to take what he needed from the common store, since he would have no temptation or opportunity of doing anything with a greater portion than he really needed for his personal use. Thus would be minimized the danger of the community falling into bureaucracy, the multiplication of boards and offices, and all the paraphernalia of official authority, which is after all a burden, even when it is exercised by the delegation of the whole people and in accordance with their wishes.

Thus I have laid before you, necessarily briefly, a Socialist's view of the present condition of labour, and its hopes for the future. If the indictment against the present society seems to you to be of undue proportions compared with the view of that which is to come, I must again remind you that we Socialists never dream of building up by our own efforts in one generation a society altogether new. All I have been attacking has been the exercise of arbitrary authority for the supposed benefit of a privileged class. When we have got rid of that authority and are free once more, we ourselves shall do whatever may be necessary in organizing the real society which even now exists under the authority which usurps that title. That true society of loved and lover, parent and child, friend and friend, the society of well-wishers, of reasonable

people conscious of the aspirations of humanity and the duties we owe to it through one another,—this society, I say, is held together and exists by its own inherent right and reason, in spite of what is usually thought to be the cement of society—arbitrary authority to wit—that is to say, the expression of brute force under the influence of unreasoning habit. Unhappily though society exists, it is in an enslaved and miserable condition, because that same arbitrary authority says to us practically: "You may be happy if you can afford it, but unless you have a certain amount of money, you shall not be allowed the exercise of the social virtues; sentiment, affection, good manners, intelligence even, to you shall be mere words; you shall be less than men, because you are needed as machines to grind on in a system which has come upon us, we scarce know how, and which compels us, as well as you." This is the real, continuously repeated proclamation of law and order to the most part of men who are under the burden of that hierarchy of compulsion which governs us under the usurped and false title of society, and which all true Socialists or supporters of real society are bound to do their best to get rid of, so as to leave us free to realize to the full that true society which means well-being and well-doing for one and all.

IX

PROBLEMS OF MODERN INDUSTRY

By Sidney and Beatrice Webb

This is from the introduction to the second edition (July, 1902) of Mr. and Mrs. Webb's collection of essays entitled *Problems of Modern Industry*.

Mr. and Mrs. Webb's principal joint works are, *A History of Trade Unionism* and *Industrial Democracy*. The fullest account of their views on the development and future constitution of society will be found in the last chapter of the latter. Mr. Webb has been a leading member of the Fabian Society since its inception, and a London County Councillor since 1892. Mrs. Webb is the authoress of *The Co-operative Movement in Great Britain*, by Beatrice Potter.

The opening of the twentieth century finds both England and the United States in a state of acute self-consciousness with regard to the organization of industry and commerce, and the influence of financial considerations in national politics. The last decade has witnessed important and even dramatic changes in the economic organization of the civilized world. These changes have, both in the United Kingdom and the United States, produced a marked effect on the public imagination. Public opinion learns, it is to be feared, little from books, and only occasionally absorbs a discovery in the realm of thought. Its most effective teacher is always some objective happening in the world of things. The English municipalities learned the elements of sanitation, not from the physiologists, but from three successive visitations of Asiatic cholera. The economic changes of the last few years—the scramble for

Africa, the territorial expansion of the United States, the enormous development of individual fortunes, the "internationalization" of every branch of industry, and, above all, the startling multiplication of syndicates, trusts, and giant amalgamations—all these have worked a great change in the mind of the electorate. In the new Introductions to the current editions of the *History of Trade Unionism* and *Industrial Democracy* we have described some of these developments of public opinion, with special reference to trade-unions and strikes. We now add a few suggestions with regard to Trusts, and the public alarm concerning them.

It is curious to notice with what a start the ordinary citizen has all of a sudden realized how entirely both England and the United States have departed from the industrial organization described by the classic economists. Adam Smith's *Wealth of Nations* and the Declaration of Independence were given to the world in the same year. We need not here inquire to what extent the argument and philosophy of both these masterpieces may have been influenced by the industrial organization then common to England and New England. What is brought vividly and dramatically to our minds by the formation of the so-called "Billion Dollar Steel Trust" and the "Atlantic Shipping Combine" is the extent of the change which has come over the economic status of the mass of the nation. A century and a quarter ago, when Jefferson and Adam Smith were writing, it could be taken for granted that the normal state of things was for every man to become, in due course, "his own master;" it could be assumed that the work of the world was, for the most part, done by men who were moved by the stimulus of making "profit" as distinguished from wages or salary; it seemed a scientific fact that values were determined by the mutual exchange of the commodities and services of independent producers. It was on these assumptions that the classic political economy was based. What is more important to us to-day is that, both in England and in the United States, the

public opinion of the educated and prosperous classes still makes, with regard to half its judgments, much the same assumptions. Neither the prosperous Englishman nor the prosperous American can rid himself of the feeling that it is open to every one to become a profit-maker, that no one need long remain a mere wage-earner, and that it is therefore not really of vital consequence to the nation how those members of the community who happen temporarily to be wage-earners are actually living. The opening of the twentieth century sees, perhaps, some weakening of this assumption. England pays more and more attention to its factory legislation. The prosperous American still believes, however, that at any rate every native-born American can rise to a higher place, and that the status of the hired labourer is therefore, on the American continent, still something transient, exceptional, and relatively unimportant. He is still revolted by any glimpse of American democracy as a "democracy of the 'hired man.'" Yet surely nothing is more certain than that in the United States, as in Western Europe and Australia, the hired men form, and must necessarily continue to form, at least three-fourths of the population. This is a fact which the advent of the Trust, the supremacy of business conducted on a large scale, the rapidly increasing concentration of nearly every kind of industry, can hardly fail to drive home to the mind of the American, as to that of the English citizen. He will, for the first time, become aware of himself as one of a democracy of hired men.

We shall be conscious, too, by whom we are hired. It has long been a fond dream, both in England and in the United States, to prove, by some mysterious juggling with wage and price statistics, that wealth is getting more equally distributed, that the proportion of small competences is increasing, and that the number is growing of those who, as shareholders or interest receivers, share in industrial profits. This has, for forty or fifty years, been an amiable delusion of the statistical philanthropist. It is now dispelled. The dramatic concentrations

of capital exhibited by the Rockefellers and Pierpont Morgans, like the visible accumulations of some English ducal ground-landlords, have forced upon everybody's notice the indisputable testimony of death-duty statistics. The only point in dispute is whether wealth-concentration has as yet gone further in England or in the United States. This is, of course, not to deny that some or all of the property-less masses have, during the past fifty years, found their conditions of life improved. But the advent of the Trust is making both England and America realize, as they have never realized before, that in both countries nine-tenths of all the realized property belongs to-day to a class that comprises only one-tenth of the population,—that ninety per cent. of the citizens, the great mass of the people, share among them, even including their littles homes and furniture, and all their much-vaunted hoards, the ownership of not more than ten per cent. of the capital wealth.

But if the advent of the trust makes us conscious of ourselves as nations of hired men, it necessarily compels us to realize that the conditions of our hiring are all-important, not only to ourselves individually, but to the community as a whole. "Every society is judged," as Mr. Asquith, the late Home Secretary, said the other day, "and survives, according to the material and moral minimum which it prescribes to its members." Note that word "prescribes." As hired men, we find ourselves graded in elaborate hierarchies, from the sweated trouser-hand or day-labourer, right up to Mr. Schwab or Mr. Clinton Dawkins at fabulous salaries. But the census shows four-fifths of us to be manual-working wage-earners, keeping our families out of earnings which may be anything from ten shillings to ten pounds a week. These earnings depend on our successful bargaining with our employers—employers who used to be men like ourselves, but who, as we now realize, are, for the majority of us, gigantic capitalist corporations, huge joint-stock mills, railways, shipping combines, and "Billion Dollar Steel Trusts." Between these employers

and the individual workmen there has hitherto been assumed to be "freedom of contract," secured to us by the Constitution of the United States or by the contemporary general principles of the law in the United Kingdom; and this freedom of contract was inaugurated, and is to-day still usually defended, as being in the highest interests of the wage-earner himself. "The patrimony of a poor man," says Adam Smith, "lies in the strength and dexterity of his hands; and to hinder him from employing that strength and dexterity in what manner he thinks proper, without injury to his neighbour, is a plain violation of this most sacred property." But the conditions of industry have somewhat changed since 1776, and the "Billion Dollar Steel Trust," though it does not appreciably alter the circumstances, is opening our eyes to them. We see now, what the professors of political economy have gradually become conscious of, that freedom of contract in the hiring of labour may mean something very like the compulsion of one party to serve the other, on terms nominally contractual, but virtually fixed by overwhelming superiority in strength. When the conditions of the workman's life are settled, without interference by law or trade-unionism, by absolutely free contract between man and man, the workman's freedom is delusive. Where he bargains, he bargains at a hopeless disadvantage; and with regard to many of the terms most important to his health, comfort, and industrial efficiency, he cannot bargain at all.[1]

This conclusion will carry with it such momentous consequences, and is as yet so imperfectly realized, that it is worth while to think it over. Let us consider how the wage-contract is actually entered into. Leave out of account, to

[1] The whole argument on this point, with the facts on which it is based, will be found more fully set forth in our *Industrial Democracy*, part iii. chap. ii., "The Higgling of the Market;" and chap. iii., "The Economic Characteristics of Trade Unionism." See, for a more popular presentation, *The Case for the Factory Acts*, edited by Mrs. Sidney Webb (London, 1902). [Authors' Note.]

begin with, any period of bad trade, when mills are shutting down or running only short time, and armies of unemployed are looking for work. Assume that things are in equilibrium, —that there is only one "hand" applying for it. Watch carefully the play of motives acting on the two minds, that of the "man with the dinner-pail" seeking employment, and that of the employer or foreman with a place to fill. Suppose the workman to demur to the wage offered by the employer. There is, we assume, absolutely no other spare hand in sight. To leave the vacancy unfilled may cause some inconvenience in the mill. To complete the orders in hand, some of the other men may have to work more overtime. The delivery of the goods may even have to be delayed, the year's output may be diminished, and the year's profits may be fractionally less than they would have been. But in the mean time the capitalist or his agent is not actually affected in his daily life. He and his family go on eating and drinking as they did before. At most, the matter is a trifling one to them. Thus, the capitalist can afford to wait until the workman returns in a humbler frame of mind. And this is just what the workman must do. What is only a trifling matter to the capitalist is to the workman his whole livelihood. Moreover, he cannot wait. Even if he stands out one day, he has thereby lost that day. His very subsistence depends on his quickly coming to an agreement. If he is obstinate, consumption of his little hoard or the sale of his furniture may delay the catastrophe. Sooner or later slow starvation forces him to come to terms. And, since success in the "higgling of the market" is largely dependent on the relative eagerness of the parties to come to terms —conspicuously so if this eagerness cannot be concealed from the antagonist,—capitalist and workman always meet, in the absence of law or effective trade-unionism, on unequal terms. Further, the capitalist knows the cards, and the workman does not. Even in the rare cases in which the absence of a single workman is of any real consequence to the employer, this is usually unknown to any one but himself.

He, too, knows the state of the market, and can judge whether it might not even suit him better to slacken production for the moment. The isolated individual workman bargains in the dark. Add to this the fact that the workman is not trained in the art of bargaining, which is the daily business of the employer, or the constant task of an expert specially trained for the particular work of hiring men. Thus, in the bargaining between a capitalist corporation and the individual labourers whom it hires, the labourers stand to lose at every point.

So far we have been assuming that the labour-market is in equilibrium, and that only one hand applies for one vacant place. But at what periods and in what trades is so perfect an equilibrium to be found? When wealthy companies are concentrating their works and shutting down unnecessary mills; when new processes or new machines are displacing labour; when industrial crises, changes of fashion, or the mere shifts and gusts of international commerce cause our production to wane, now in this branch, now in that,—what freedom has the hired man? When the unemployed are crowding round the factory gates, it is plain to each one among them that, unless he can induce the foreman to choose him rather than another, his chance of subsistence for weeks to come may be irretrievably lost. Bargaining, in any genuine sense, there can be none. The foreman has but to pick his man and name the price—even if he does so much as name the price. Once inside the gates, the lucky workman knows that if he grumbles at any of the surroundings, however intolerable; if he demurs to any speeding up, lengthening of the hours, or arbitrary deductions; or if he hesitates to obey any orders, however unreasonable, he condemns himself once more to the semi-starvation and misery of unemployment. The alternative to the foreman or ganger is merely to pick another labourer out of the eager crowd at the gate. The difference to the joint-stock company is *nil.*

But much more remains to be said. To the capitalist

corporation the wage-contract is simply a question of so much money to be paid. To the workman it is a matter of placing, for ten or twelve hours out of every twenty-four, his whole life at the disposal of his hirer. What hours he shall work, when and where he shall get his food, the sanitary conditions of his employment, the safety of the machinery, the temperature and atmosphere to which he is subjected, the fatigue or strains that he endures, the risks of disease or accident that he incurs,—all these are involved in the workman's contract, and not in his employer's. These are matters of as vital importance to the wage-earner as are his wages. Yet about these matters he cannot, in practice, bargain at all. Imagine a weaver, before accepting employment in a cotton-mill, examining the proportion of steam in the atmosphere of the shed, testing the strength of the shuttle-guards, and criticizing the soundness of the shafting-belts; a mechanic prying into the security of the hoists and cranes or the safety of the lathes and steam-hammers among which he must move; a work-girl in a sweating den computing the cubic space which will be her share of the work-room, discussing the ventilation, warmth, and lighting of the place in which she will spend nearly all her working life, or examining disapprovingly the sanitary accommodation provided; think of the man who wants a job in a white lead works testing the poisonous influence of the particular process employed, and reckoning in terms of weekly wages the exact degree of injury to his health which he is consenting to undergo. On all these matters, at any rate, we must at once give up the notion of freedom of contract. In the absence of any restraint of law, the conditions of sanitation, decency, and security from accident in the various enterprises of the United States Steel Corporation or the Standard Oil Company are really at the mercy of the rulers of these great undertakings. They decide these conditions of life for the millions of workmen whom they employ—and thus, to this extent, for the nation—as arbitrarily (and, it is to be hoped, as humanely) as they do for their horses. "In the general course of human

nature," remarked the shrewd founders of the American Constitution, "power over a man's subsistence amounts to a power over his will."[1]

These features of the lot of the hired man are common to England and America, and, indeed, to every country in which capitalist industry and production are found on a large scale. We must, in intellectual honesty, recognize the fact. But this is not to say that the condition of the hired man is either good or bad, or better or worse than in bygone times. It is different from what it was when industry was carried on by the village blacksmith, different from that described by Adam Smith, different from that which Jefferson knew. The dinner-pail may be fuller—as regards whole sections of the community it can certainly be proved to be fuller—but there has been a change of relative status. Meanwhile, let us accept the result in the great wage-earning class as we now know it—a community of hired men; a relatively small proportion of skilled artisans earning "good money;" the great mass living on wages, in England of five and twenty or thirty shillings, in the United States of ten or twelve dollars, per fully employed week; while below these come the unskilled labourers and most women workers, existing, in greater or smaller numbers, under conditions of "sweating"—authoritatively defined as "earnings barely sufficient to sustain existence, hours of labour such as to make the lives of the workers periods of almost ceaseless toil, sanitary conditions injurious to the health of the persons employed, and dangerous to the public."[2] Into one or another of these three categories come seventy or eighty per cent. of the whole population. Such are the loyal subjects of Edward the Seventh of England; such are the free citizens of the United States. We hate to think about it, but it is so; and the advent of the Trust is going to make us realize that it is so.

[1] *Federalist*, No. lxxix.

[2] *Final Report of the Select Committee of the House of Lords on the Sweating System*, 1890.

What effect will this growing consciousness of industrial subordination have upon public opinion? England developed its capitalist industry a couple of generations earlier than did the United States. Though the time for trusts and great railway combinations had not yet come, the new mills and mines which, at the end of the eighteenth century, spread over the northern and midland counties, were the leviathans of their day, and great was the power which they wielded in the labour-market. Complete "freedom of contract" prevailed. The result, as every one knows, was the terrible "white slavery" of the first quarter of the nineteeth century, when generation after generation of workers in the factories and coal-mines were stunted and maimed, brutalized and degraded, and hurried into early graves, by the long hours, low wages, and insanitary conditions of those halcyon days, in which, as has been said, "it was not five per cent., or ten per cent., but thousands per cent., that made the fortunes of Lancashire." But England grew alarmed, amid all its profit, at the rapid degeneration of whole sections of its people. By the untiring efforts of the philanthropists, Factory Act after Factory Act was passed, setting limits to freedom of contract, and substituting, for individual bargaining between man and man, definite "common rules" on every point deemed of prime importance to the welfare of the operatives. These common rules, securing a reasonable minimum of leisure, safety, and sanitation, applied at first only to the textile and mining industries, and are, to this day, not yet coextensive with the English wage-earning class. Nor do they apply to wages. But there grew up, after 1824, in all the principal English industries, strong trade-unions, which enforced, by the instrument of collective bargaining, new common rules supplementing those laid down by law. The employers in each trade were numerous and divided. Differing among themselves in wealth and magnitude of business, as well as in personal character, they proved unable to present a solid front to the trade-unions. The result is that, in the course of the last half century, some of the principal and most successful branches

of English industry—notably cotton manufacture, coal-mining, ship-building, engineering, and the building trades—have come to be regulated by codes of common rules, enforced partly by law and partly by collective agreement. The rate of wages, like the hours of work and the fundamental conditions of safety and sanitation, are therefore no longer at the mercy of individual capitalists. There exists in each trade a sort of minimum standard, fixed practically by general agreement among the whole body of employers on the one hand and the whole body of workmen on the other, below which it is found impossible for any employer to descend. He may break away, but he discovers presently that it no more pays him to outrage the public opinion of his trade than to infringe the factory law. The general opinion of the community acts, in all well-organized trades, as a real though curiously intangible check upon the capitalist. Public sympathy is always on the side of a stable and highly organized trade-union defending itself against any encroachment on the common rules or reduction in rates. Great corporations like the London and North-Western Railway find themselves pulled up sharp by the peremptory interference of the Board of Trade when they are guilty of any unconscious tyranny over their employees. Even in the late engineers' strike, where the men lost sympathy because they were believed to be resisting machinery, and the employers won all along the line, the final agreement formally recognized the right of collective bargaining and the need for common rules, while the result has been the establishment of a new tribunal of the trade to maintain these rules—a joint tribunal, in which, for the moment, the associated employers doubtless have a larger influence than the associated workmen, but one to which every individual employer, no less than every individual workman, finds himself practically subject. This collective rule of the whole trade over every individual employer in it, as well as over every individual workman, is typical of most of the industries in England in which there are great employers or strong capitalist corporations. Moreover,

the law, where it purports to control, really does control, even the greatest corporation. Hence neither our philanthropists nor our workmen fear the Trust. England's industrial peril lies in quite another direction.

The worst conditions of employment in the United Kingdom occur in those industries carried on by small employers, or desolated by home work, which have either escaped as yet from the ever-widening scope of the factory laws, or in which such laws are not yet effectively enforced. Here philanthropic sentiment has hitherto been evoked by the spectacle of the small master struggling to rise in the world, and unable to afford to his sweated employees either wholesome workshops, decent sanitation, or a living wage. These unfortunate workers, incapable of effective organization, have hitherto failed to obtain the same help from public opinion or the same measure of protective legislation that Parliament concedes to the politically active cotton-operatives or coal-miners, who need it far less. Unfortunately, too, the efforts to secure effective factory laws for these workers are at present balked by the doctrinaire resistance of many of the leaders of the movement for "women's rights." Thus, the sweated trades, in spite of their disastrous effects on the community as a whole, are given at present a positive advantage in the competition for the world-market. The absence of any collective regulation enables the employers so to use their superiority in bargaining for the hire of their labour as to reduce its condition even below subsistence level. These trades are, in fact, parasites on the rest of the community, drawing from the more prosperous sections, in one form or another, a continual "bounty" with which to eke out their starvation wages. Fortunately, the great staple industries of the kingdom, in which relatively good conditions prevail, gain so much in efficiency by their very regulation that they go on, notwithstanding this virtual bounty to the sweated trades, increasing in extent and prosperity year after year. What loses ground in England is any industry which escapes the beneficial effect of collective regulation, but which

for some reason fails to get the bounty implied in industrial parasitism. The most conspicuous example is English agriculture, which is constantly falling more and more behind not only the great regulated trades such as cotton and coal, but also behind the miserably inefficient sweated trades, fed by parasitic bounty. Thus, what is most urgently needed in the United Kingdom, and what is most likely to spring from our growing consciousness of the weakness of the hired man, is not any interference with the great employers or their capitalist combinations,—which are at present the least uncontrolled of our industrial forces,—but an extension of the strong arm of the law on behalf of the oppressed workers in the sweated trades.

Models for such action are afforded both by New Zealand and by Victoria. The time is not far distant when we shall see in London, as already in Melbourne, wage-boards for all the sweated trades, formed partly of employers and partly of wage-earners, and empowered to fix minimum rates of piece-work wages, below which it will be illegal for any employer to hire a hand. We shall, in fact, begin at the bottom of the industrial army, which suffers, not from great capitalists, but from small masters,—not from the newest methods of industrial organization, but from the belated survival of the old-fashioned ones. These wage-boards, beginning, as in Victoria, in the sweated trades, will, also as in Victoria, not rest there. New Zealand points the way. More and more nearly do we approach the stage at which the conditions of employment—wages as well as hours, sanitation as well as protection from accident,—if not fixed by authoritative decision of joint committees representing all the workmen and all the employers, are settled by an arbitrator's decree to which both parties find themselves compelled to submit. This will long be veiled in the United Kingdom, where reforms usually arrive in substance before they are called by their names. Yet English public opinion is already much impressed by the fact that in Victoria and in New Zealand the standard minimum conditions of

employment—rates of wages as well as hours and sanitation—which the community thinks fit to require from time to time in each particular trade, are promulgated as law, and enforced by the criminal courts. The nineteenth century in the United Kingdom has seen the extension of the factory law to sanitation and decency, hours of labour, and protection against accident, in a select set of trades. The result of our growing consciousness of the weakness of the wage-earner in his bargaining with the great capitalist employer is to bring us, at the opening of the twentieth century, to the threshold of the Legal Minimum Wage for every branch of industry. Note again Mr. Asquith's word "prescribes."

But the result in the United States may possibly be quite otherwise. The great capitalist corporations of the United States differ as widely from those of the United Kingdom as do the laws and the trade-unions of the two countries. In England, as I have said, the great capitalist is, and feels himself to be, effectively under control. The trade-unions, if inferior in strength on a fight to a finish, are in a position to offer him stubborn resistance. The law is unquestionably his master. And public opinion, not altogether on either side in the conflict, passes with great rapidity, and with irresistible force, into opposition to any serious attack on the current Standard of Life. The American capitalist corporation is, and feels itself to be, in a very different position. American philanthropy has never been stirred by the sensational evils in cotton and coal which brought about the English factory and mining laws. Legal regulation of the conditions of labour, where it exists at all, has been, and continues to be, an alien element in the American system, doubtfully constitutional and hesitatingly enforced. The indispensable administrative organization for any real enforcement of standard conditions is nearly everywhere lacking. Nor does public opinion wish it otherwise. Throughout the whole century, and right down to our own day, it has been possible to retain the complacent assurance, not too obviously contradicted by fact, that the

native-born American, of Anglo-Saxon or Teutonic descent, was always able to rise to a position of command, and to earn a relatively good living. There is no evidence that the concentration of industry in great capitalistic corporations, or the vast accumulation of wealth in the hands of a small class, has yet had any injurious effect on wages or on the other conditions of employment. On the contrary, there is some reason to think that so far, at any rate, as foremen and skilled workers are concerned, the change in industrial organization may be to their pecuniary advantage. In the comparatively few sections of labour in which the workmen's organizations have any real strength—these being usually the higher grades, with some approach to a monopoly of skill or high technique, —it may well suit the capitalist corporations to buy off opposition by increased wages, which could not in any case make an appreciable difference in the total cost of production. Public opinion, moreover, keenly interested in the greatest possible development of the national industry, and strongly prejudiced against the interference of "labour unions," will continue to operate against any effective strike. Thus, the rulers of the great capitalist corporations are, within the industrial sphere, really able to do what they like with their own. When all the employers in a single industry from California to Maine combine into a single corporation, this leviathan is, indeed, perhaps the most perfect example of freedom that the world has ever seen. In the employment of labour, especially of a low grade, such a giant corporation may impose very nearly whatever conditions it chooses. Its power of "disciplining" any recalcitrant hand, or even a whole community, is terribly potent. It can shut down here and build up there, without let or hindrance; it can maintain whatever brutalizing or deteriorating conditions of labour that it thinks profitable to itself; it can disregard with impunity all precautions against disease or accident; it can exact whatever degree of speed at work it pleases; it can, in short, dispose of the lives of its myriads of workers exactly as it does of those of its horses.

The workers may "kick;" there may be labour unions and strikes; but against such industrial omnipotence the weapons of the wage-earners are as arrows against ironclads. This will be all the more certainly the case because it will suit the leviathian, as a matter of convenience, to come to terms with the small minority of skilled and well-paid workmen, who might have stiffened the rest. This is the condition of monopolist autocracy into which every great industry in the United States seems fated to pass, and to pass with great rapidity. A few thousands of millionaire capitalist "kings," uniting the means of a few hundreds of thousands of passive stockholders, and served by perhaps an equal number of well-salaried managers, foremen, inventors, designers, chemists, engineers, and skilled mechanics, will absolutely control an army of ten or fifteen millions of practically property-less wage-labourers, largely Slavonic, Latin, or Negro in race.

Now, we can hardly seriously predict, as a leading American economist is said to have done, that this freedom in autocracy will, within twenty-five years, produce an Emperor of America. But it is not difficult to see that, unless the United States learns a new lesson from the advent of the Trust, it is preparing for itself a twentieth century such as Washington would have shuddered to think of. From the purely "business" point of view, even when reinforced by all the scientific economics of the college professor, there seems nothing to stop the triumphant progress of this capitalist autocracy. The great capitalists have no doubt thought this out, and are confident of their future profits. But what American capitalists always seem to undervalue is the influence exercised upon their profits by wide political movements. How little the Pierpont Morgans and Rockefellers of 1850 and 1856 thought about the Abolitionists! Yet the outcome of the Abolitionist agitation upset a great many capitalist schemes. Even the Bryan presidential campaign of 1896 cost the capitalists many millions in diminished trade, slackened output, and diverted energy. And so, the outsider ventures to predict, the advent

of the Trust will lead to quite unforeseen hindrances to industrial development and quite unexpected deductions from capitalist profits, arising from the kind of civilization which it will produce and the political reactions which it will set up. Let us, therefore, examine more closely what America has to fear from the rule of the Trusts.

Notice, to begin with, that the advent of the Trust almost necessarily implies an improvement in industrial organization, measured, that is to say, by the diminution of the efforts and sacrifices involved in production. Just as it was a gain to the community, from this point of view, for the myriad small masters to be merged in the relatively few capitalist employers, so it is a further gain to merge these capitalist employers into great Trusts or Corporations. The Standard Oil Company and the United States Steel Corporation represent, in fact, an improvement in industrial technique. So far as their organizations prevail, the production of commodities is carried on with less labour, less friction, less waste, than it was under the arrangements which they have superseded. There may be other disadvantages, just as there were other disadvantages when the hand-loom was superseded by the power-loom. But we must not let the drawbacks obscure the element of real progress. The rule of the great capitalist corporations secures the organization of the work of the world in a way which enables it to be done with a smaller expenditure of labour.

But will the public be allowed to get the benefit of this industrial improvement? Is it not to be expected that the Trusts will put up prices against the consumer, and so levy a tax upon the world compared with which the exactions of Government sink into insignificance? This danger seems to me exaggerated and comparatively unimportant. It must be remembered that anything like absolute monopoly of production in the staple needs of the mass of the people is unknown, and practically impossible. The main products of the world are produced in too many different countries, under

too many different industrial systems, standing at too varying grades of civilization, for any absolute combination into a single hand. A trust may, indeed, easily come to dominate a single market. But even then, so great is the potential expansion of demand for the articles of common consumption, that it will probably pay the Trust better to reduce prices than to raise them. As regards America, indeed, the remedy for any oppressive raising of prices is to abolish the customs tariff, and to call in the foreign producer. The monopolist Trust, even in countries that freely open their ports to foreign products, can no doubt make large profits. But its profits will represent chiefly the economies in production brought about by its own formation. The consumer will not have to pay more than the consumer of the same article in countries not subject to the Trust, except by the amount of the freight, and probably, as we shall see, not even by so much as that. Hence we may expect the increasing dominance of the Trust to make for the abolition of protective duties. It is, indeed, not the consumer, as consumer, who need particularly fear the Trusts. If, however, this conclusion proves erroneous, the consumer, as citizen, has another remedy, to which we shall refer at the end of this introduction.

The competent, "pushful," native-born American will get on all right under this capitalist autocracy. He will, indeed, have to give up the chance of becoming his own master, and, practically, that of "making a pile." But what will be virtually the civil service of industry, the great salaried hierarchy of the Trusts, will offer a safer and, on the average, a better paid career for industrial talent than the old chances of the market. Every man of skill and energy, competence and "go," will be wanted in the gigantic organization of the new industry. Brains will be at a premium. From the skilled mechanic right up to the highest engineering genius, from the competent foreman up to the brightest railway organizer, from the merely practised chemist up to the heaven-born inventor or designer, —all will find, not merely employment, but scope for their

whole talent; not merely remuneration, but salaries such as the world has seldom seen. And in serving their employers they will be at least as directly serving the community as they are at present.

It is when we come to the great mass of wage-earners—the ten or fifteen millions of day-labourers and ordinary artisans—that we see the really grave consequences of industrial autocracy. These men, with their wives and families, must necessarily constitute the great bulk of the population, the "common lump of men." It is in their lives that the civilization of a nation consists, and it is by their condition that it will be judged. And, though the great ones never believe it, it is upon the status, the culture, the upward progress of these ordinary men that the prosperity of the nation, and even the profits of the capitalists, ultimately depend. What is likely to be the Standard of Life of the ordinary labourer or artisan under the great industrial corporations of the United States?

Now one thing is definitely proved, both by economic science and business experience. If the wages of common labour are left to "supply and demand," and are not interfered with by factory law or effective trade-unionism, we shall witness no improvement in the present conditions of life of the Pennsylvania miner, the Chicago sweat-shop hand, the day-labourer on the railroad, or the girl seamstresses sewing for dear life in New York tenement garrets. On the contrary, we shall see these conditions of life generalized over the whole range of common labour, male or female. We shall find wages everywhere forced down, for the ordinary, common skilled worker, to their "natural level"—that is, to the barest subsistence of the human animal from day to day. With this state of things will necessarily go the corresponding life, such as we see it already in the Pittsburg or Chicago slum. It is, however, needless to amplify the picture. To what awful depths of misery and demoralization, brutality and degradation, humanity can, under "perfect freedom," descend,

we are scarcely yet in a position to say. Is this to be the contribution to economics, in the twentieth century, of the country of Jefferson and Washington?

Fortunately for the world, the United States is not likely to make this experiment. The millions of common labourers, however poor and degraded they may be, or may become, are yet citizens and voters,—are, moreover, the inheritors, even if of alien race, of glorious traditions of manhood and freedom. That uncontrolled personal power which several centuries of struggle have displaced from the throne, the castle, and the altar, is not likely to be allowed to rule in the farm, the factory, and the mine. As yet, the American citizen still believes himself to be free, and sees not the industrial subjection into which he is rapidly passing. But it is not to be supposed that he will witness unmoved the successive failures of trade-unions and strikes, the general reductions in wages which will mark the first spell of bad trade, the manifold dismissals and "shuttings down," the progressive degradation of his class. He will take up every wild dream and every mad panacea. He will be tricked and outvoted again and again; but if so, the result will be a "class war" more terrible than any the world has seen, and one in which, though the ultimate victory will be with the common people, American civilization may go back several generations.

Yet America ought to avoid this catastrophe. The experiment has already been tried, and the remedy is known. If the people of the United States will but do that most difficult of all things—learn by the experience of other nations—they may get out of the Trusts all the advantages which these offer, without suffering the terrible calamity in which they unwittingly threaten to overwhelm American civilization. The remedy lies in what we, in our *Industrial Democracy*, have ventured to call the "Policy of the National Minimum." We must give up the idea of individual freedom of competition, which the combinations of capital have proved to be illusory, and take up, instead, the higher freedom of collective

life. We must get back as a community what we have lost as individuals.

The Policy of the National Minimum translates itself into four main branches of legislative and executive activity. There will have to be a national minimum of wages. The Trusts, or the other employers, will be under no legal obligation to employ any person whatsoever. But if they do employ him or her, it will be a condition of every contract, not to be waived or ignored, that its terms shall not be such as will impair the efficiency of the citizen or diminish the vitality of the race. To engage labour at wages insufficient to repair the waste of tissue caused by the employment is demonstrably to injure the community as a whole, and will be prosecuted as such in the criminal courts. Those whose labour is not worth the national minimum—the aged, the crippled, and the blind; the mentally or morally deficient; the epileptic; and the chronically feckless and feeble-minded—will be maintained by the community, as indeed they are now. But of all the ways of maintaining those unable to earn a full livelihood, by far the most costly and injurious is to allow them to compete in the labour market, and thus to drag down by their infirmity those who are whole. There are still people, of course, who simply cannot imagine how a legal minimum wage could possibly be enforced, just as there were, sixty years ago, economists who demonstrated the impossibility of factory laws. We have dealt fully with their difficulties and objections in our *Industrial Democracy*. As a matter of fact, the legal minimum wage can be seen in force to-day in Victoria and New Zealand, South Australia and New South Wales.

There will be a national minimum of leisure and recreation secured by law to every citizen. It will be an implied condition of every contract of employment, rigidly enforced by law, that it shall leave untouched sixteen hours out of each twenty-four for needful sleep, recreation, exercise of mind or body, and the duties of citizenship and family life. Any

attempt by man or woman to sell for wages any part of the sixteen sacred hours will be blamed as virtual embezzlement, since this part of the twenty-four hours' day must be regarded as necessarily reserved for the purpose of maintaining unimpaired the efficiency of the race. Any employer purchasing them, or allowing them to be spent in his mill or mine, will be prosecuted and punished, as if he had incited to embezzlement or had received stolen goods.

There will be a national minimum of sanitation, enforced not merely on land or house owners or occupiers, but also on local governing authorities. The nation will find it preposterous that any city, merely out of stupidity or incapacity or parsimony, should foster disease, or bring up its quota of citizens in a condition of impaired vitality. The power of the community as a whole, will, somehow or other, be brought to bear upon every backward district, compelling it to lay on pure water, to improve its drainage, and to take such action, even by municipal building if need be, that no family in the land shall have less than "three rooms and a scullery," as the minimum required for health and decency. Along with this must go the adequate provision of medical attendance, skilled nursing, and hospital accommodation for the sick. Within a generation of the adoption of such a policy, the death-rate and sickness experience would show a reduction of one-third of what is at present endured as if it were the decree of Providence.

There will be a national minimum of education—not merely in the provision of schools, but in genuinely compulsory attendance at them. Besides schools and colleges of every grade, there will have to be an adequate "scholarship ladder," securing maintenance as well as free tuition, right up to the post-graduate course, for every scholar proving himself or herself fitted for anything beyond common schooling. And this provision will be enforced by the national power upon local school authorities as well as upon parents

and employers. What right has any part of the community to allow any part of its quota of citizens to be reared in ignorance or to suffer even one potential genius to be lost to the community? The next few years will see not only a great improvement in common schooling but also the doubling or trebling of our expenditure on higher education.

Only by the enforcement of some such national minimum of subsistence, leisure, sanitation, and education will modern industrial communities escape degeneration and decay. Where life is abandoned to unfettered competition, what is known as "Gresham's Law" applies—the bad drives out the good. To prevent this evil result is, as both Europe and America are discovering in the twentieth century, the main function of Government. To enforce the national minimum will, moreover, not interfere either with the profits or with the freedom of development of the exceptional man, while it will enormously increase the prosperity of the community. Nor does it abolish competition. What it does is to transfer the competitive pressure from the actual means of subsistence of the masses (where it works little but harm), to the intellect of every one who has any, in the degree that he has it (where it sharpens the wits).

This remedy for the dangers of modern industrialism—the Policy of the National Minimum—involves, it will be seen, a great extension of Government activity, a great advance in the efficiency of both legislative and executive machinery, and no little change in constitutional forms. All this will be difficult enough. Moreover, the consumer, as a consumer, remains unprotected. Hence, whilst the mere enforcement of the national minimum adequately solves the problem presented by the sweated trades, it may be found not completely to answer for those at the other end of the scale, in which great Trusts have been organized. It may, therefore, well be easier, in one industry after another, to take over the Trust into direct public ownership, as one nation or another

has already done in the case of railways, telegraphs, telephones, ocean cables, steamboat lines, water, gas, electric and hydraulic plants, and what not. One way or another the people must collectively control the industry by which they live, or, for large masses of the community, every hope of genuine freedom and civilization will disappear.

X

WHETHER CLASS ANTAGONISM IS SOFTENING DOWN

By Karl Kautsky

This is § 5 of Kautsky's *Sozialreform und soziale Revolution*, which, with its sequel *Am Tage nach der socialen Revolution*, has been translated into English by J. B. Askew.[1] Together they form the best existing presentation of the Marxian standpoint to-day; on account, not only of their ability, but of their Continental vogue, which amounts to a vast popular ratification.

Perhaps no Continental sociologist anything like as interesting as Kautsky is so little known or appreciated in England. In the German party, of whose official review, *Die Neue Zeit*, he is editor, he has long exercised a unique influence. Among his other typical works may be mentioned *Das Erfurter Programm in seinem grundsätzlichen Theil* and *Die Agrarfrage*.

Let us examine in the first place the objection: The social antagonism between the middle classes and the proletariat tends to diminish. I will here pass over the question of commercial crises, of which it was predicted some years ago that they would become weaker. This view has since then been so emphatically refuted by undisputed facts, that I am in the position to forego on that head all further discussion, which otherwise would have taken us too far out of our way. Nor am I going to make any further contribution to the debate on the already *ad nauseam* discussed theory of the progressive increase of misery, which, with a little ingenuity, could be

[1] *The Social Revolution.* London: Twentieth Century Press.

debated for ever, and in which the debate turns more on interpretation of the word "misery" than on the recognition of certain facts. We Socialists are unanimous in this, that the capitalist mode of production, when left to itself, has for its result an increase of physical misery; equally unanimous, however, are we in the opinion, that even in the present society the organization of the working-class and the interference of the State are in a position to check this misery; finally, we all agree that the emancipation of the proletariat is to be expected not from its increasing decadence, but from its growing strength.

Another question, however, is that of the growing *antagonism* between the bourgeoisie and the proletariat. This is, in the first place, a question of the increasing exploitation.

That this does increase has already been shown by Marx a generation ago, and has, so far as I know, never been refuted by anybody. Those who deny the fact of the increasing exploitation of the proletariat must in the first place be able to back their words by a refutation of Marx's *Capital.*

Now, certainly, it will be said in objection to this that all this is but so much theory; we only recognize as true and demonstrated what we can grasp for ourselves. We do not want economic laws, but statistical figures. These are not easily found. It has not yet occurred to any one to demonstrate statistically, not only the wages but also the profits, for the very simple reason that the safe is like a castle to the bourgeois which, be he even the most cowardly and weak-spirited of the lot, he is ever ready to defend like a lion against the encroachments of the authorities.

Nevertheless, we can find some figures as to the increase of wages and other incomes. Some of these, the latest which we know, shall be given here. They were computed by Mr. A. L. Bowley, who read a paper on the question in March, 1895, before the London Royal Statistical Society (printed in the journal of the Society, June, 1895, pp. 224–285). We take the following table:—

Year.	Total yearly wage-income.		Incomes not arising from wages.			
			Subject to income tax.		Not subject to income tax.	
	Amount in million pounds sterling.	Per cent. of total national income.	Amount in million pounds sterling	Per cent. of total national income.	Amount in million pounds sterling.	Per cent. of total national income.
1860	392	47	376	$45\frac{1}{3}$	64	$7\frac{2}{3}$
1866	464	45	485	47	81	8
1870	486	$44\frac{1}{2}$	521	48	85	$7\frac{1}{2}$
1874	609	$45\frac{1}{4}$	635	$47\frac{1}{4}$	100	$7\frac{1}{2}$
1877	591	43	652	$47\frac{1}{2}$	130	$9\frac{1}{2}$
1880	567	42	652	$48\frac{1}{2}$	126	$9\frac{1}{2}$
1883	609	$42\frac{2}{3}$	696	49	122	$8\frac{1}{3}$
1886	605	42	715	$49\frac{1}{2}$	125	$8\frac{1}{2}$
1891	699	$43\frac{1}{2}$	782	$48\frac{1}{2}$	130	8

Against this picture many objections may be raised. It seems to me too optimistic, and makes the sum of the wages come out much bigger than it is or was in reality.

In reckoning the wages the author did not allow for unemployment. He, moreover, took for granted that a number of important factors bearing on the conditions of the working-classes remained the same wherever the alterations could not exactly be determined. As a statistician he had naturally the right to do so, but these are precisely the factors which alter more and more in a direction unfavourable to the workers. Thus, for example, the proportion between male and female, skilled and unskilled labour, etc.

The greatest objection, however, is that the computation is limited to but a few trades, all of which, with the exception of agriculture, are very well organized, and that the author takes for granted that the condition of the entire working-class has, on the average, improved in the same proportion as that of the organized workers, who, even in England, form a fifth of the workers of all trades. It is not uninteresting to consider

the alterations in the wages of this class of workers. The rates, in comparison with those of 1860 (the latter taken as 100), were :—

	1860	1866	1870	1874	1877	1880	1883	1886	1891
Agricultural labourers	100	105	107	130	132	122	117	111	118
Building trades . .	100	116	116	126	128	125	125	126	128
Cotton manufacture .	100	125	125	148	148	135	146	155	176
Woollen industry . .	100	106	112	121	130	126	120	115	115
Iron industry . . .	100	127	127	143	112	112	110	100	124
Engineering	100	108	110	124	123	120	127	126	126
Gasworkers	100	115	120	125	128	128	130	130	149
Seamen	100	113	103	150	129	123	118	110	143
Miners	100	(?)	100	150	115	100	115	100	150
Average . . .	100	113	113	138	132	124	130	125	140

We see that the increase of wages by 40 per cent. from 1860 to 1891, which Bowley calculates for the whole of the English working-classes, does not even hold good for the entire labour aristocracy. With the exception of the cotton-spinners, who in England are not without reason conservative and the patterns for all dreamers of "social peace," the average is only exceeded by the gasworkers, the sailors, and the miners. The gasworkers owe their rise partly to the influence of political action, which in larger towns has brought to the municipal employees some improvements. In the case of the gasworkers, considerations of competition and exploitation through private enterprise enter least into account. Partly also the rise in 1891 must be accounted for by the sudden advent of the "new unionism" which aroused so many hopes, but soon fizzled out. Still more, even than in the case of the gasworkers, does the rise of wages in 1891 appear sudden, almost accidental, in the case of the seamen and the miners. With the miners the wages were in 1886 on a level with 1860, and in 1891 they were 50 per cent. higher! This cannot be called an assured advance. In the case of the workers in the building trade,

and the woollen and the iron industries, the increase of wages since 1860 falls far below the average. Bowley, therefore, wishes us to believe that the wages of all the unorganized workers of England rose 40 per cent. in the same period in which those of the excellently-organized iron workers only rose 25 per cent.!

But let us take the figures as they stand. What do they prove? Even according to this quite exceptionally optimistic view, wages form an ever-diminishing portion of the national income. In the period 1860–74 they form on the average 45 per cent. of the national income; in the period 1877–91, only $43\frac{2}{3}$ per cent. Let us assume, for lack of more reliable figures, the sum-total of the incomes subject to income tax and not arising from wages to be equal to the total amount of surplus value. Thus the latter was in 1860 less than the total amount of the wages by 16 million pounds; in 1891, however, the sum-total of the surplus value was greater than that of the wages by 80 million pounds.

That shows a very palpable increase of exploitation. The rate of surplus value, *i.e.* the rate of exploitation of the worker, would, according to this, have risen from 96 per cent. to 112 per cent. As a matter of fact, according to Bowley's figures, that is the extent to which exploitation has risen in the organized trades. The exploitation of the mass of the unorganized must have increased to an even greater extent.

We do not attach any very great importance to these figures. But as far as they prove anything at all, they do not speak against the assumption of the increasing exploitation of labour, which Marx, by another method, and by an inquiry into the laws of the capitalist mode of production, has proved in a manner not yet confuted. Now it may be said: Granted that exploitation increases, but the wages rise as well, if not at the same rate as surplus value, how is, then, the worker going to feel the increasing exploitation, if it is not patent to his eye, but must be discovered by means of a lengthened inquiry? The mass of the workers neither carry on statistical researches, nor ponder over the theory of value and surplus value.

That may easily be so. And yet there are means by which the increase of their exploitation is made evident to them. To the same extent as the profits rise, does the mode of living of the bourgeoisie improve. But the classes are not divided by Chinese walls. The increasing luxury of the upper classes trickles gradually through into the lower, awakes in them new needs and new demands, to the satisfaction of which, however, the slow rise in the wages is inadequate. The bourgeoisie bewails the disappearance of unpretentiousness on the part of the lower orders, their increasing covetousness, and forgets that the increasing pretentiousness in the lower classes is only a reflex of the rising standard of life in the upper, that it is their own example which has inflamed the covetousness of the workers.

That the standard of life in the bourgeoisie rises faster than among the workers, can be seen at every step. The working-class dwellings have, during the last fifty years, not improved to any great extent, whilst the dwellings of the bourgeoisie to-day are magnificent in comparison with an average bourgeois house of fifty years ago. A third-class railway carriage of to-day and one of fifty years ago are not so very different in their internal appointments. But compare a first-class carriage of the middle of last century with the modern Pullman cars.[1] I do not believe that the seaman in an ocean steamer is to-day much better off than fifty years ago. But certainly the luxury of a saloon of a modern passenger-boat was a thing undreamt of even in royal yachts fifty years ago.

So much about the increasing exploitation of the worker. But is not this economic factor neutralized by the two classes drawing increasingly nearer to each other on the political field?

[1] This can hardly be said to apply to England—*e.g.* the G.N.R. or the L. and N.W.R., with their third-class dining cars, etc. Of course, that is in consequence of the tendency which was so strongly noticeable on our railways in the direction of a single class, or, at the most, two classes. Prussia still has four, and of the fourth it is quite safe to say that, short of having no roof, it could not be worse.—*Translator.*

Is not the worker more and more recognized by the bourgeois as equal to himself?

Undoubtedly the proletariat gains rapidly in political and social respect.

If its economic advancement has been outdistanced by that of the bourgeoisie, and must in consequence necessarily give rise to an increasing covetousness and dissatisfaction, the most remarkable feature of the last fifty years has, on the contrary, been the steady and uninterrupted *advancement of the proletariat in moral and intellectual respects.*

Only a few decades ago the proletariat stood at such a low level, that there were even Socialists who expected from a victory of the proletariat the worst results for civilization. After 1850 Rodbertus wrote: "There is a very great danger at hand lest a new barbarism, this time arising from the midst of society itself, lays waste the abodes of civilization and of wealth."

At the same time Heinrich Heine declared that the future belonged to the Communists. "This admission—that the future belongs to the Communists—I made in a spirit of uneasiness and greatest anxiety, and ugh! that was by no means dissimulation on my part. I actually could only think with fear and horror of the time, when those dark iconoclasts would attain to power; with their horny hands they will break all the marble statues of beauty," etc.

As is well known, things have become quite different. It is not the proletariat that threatens modern civilization; on the contrary, it is the Communists who have become to-day the surest guardians of art and science, and have often stepped forward on their behalf in a most decided manner.

In the same way the fear which possessed the whole bourgeois world after the Paris commune, lest the victorious proletariat would behave in the midst of our civilization like the Vandals of the great tribal migration, and establish on heaps of ruins an empire of barbaric asceticism, has practically disappeared.

It is partly due to the disappearance of this fear that among the bourgeois Intellectuals there is a visibly growing sympathy with the proletariat and Socialism.

Like the Proletariat, the Intellectuals as a class are also a peculiar feature of the capitalist mode of production. I have already pointed out that the ruling classes need and make use of them in so far as they, the ruling classes, have neither the interest nor the leisure to attend to the business of the administration of the State, or to apply themselves to art and science, as the aristocracy of Athens or the clergy at the best period of the Catholic Church did. The whole of the higher intellectual activity, which was formerly a privilege of the ruling classes, they leave to-day to paid workers, and the number of these professional scholars, artists, engineers, officials, etc., is rapidly increasing.

These make up the class of the so-called "Intellectuals," the "new middle-class;" but they differ essentially from the old middle-class in that they have no separate class consciousness. Particular sections of them have a separate consciousness of their order, very frequently a conceit of their order; but the interests of each of these sections is too particular to allow of a common class consciousness to develop. Their members ally themselves with the most different classes and parties; the Intellectuals provide each of these with its intellectual champions. Some champion the interests of the ruling classes, whom many of them have to serve in their professional capacity. Others have made the cause of the proletariat their own. The majority, however, have remained up till now hidebound by the petty bourgeois way of thinking. Not only have they often come from a petty bourgeois stock, but their social position as a "middle class" is very similar to that of the petty bourgeois, namely, a cross between the proletariat and the ruling classes.

These sections of the Intellectuals it is who, as said above, evince more and more sympathy with the proletariat and Socialism. As they have no particular class interests, and are,

thanks to their professional activity, the most accessible to scientific insight, they are the most easily won through scientific considerations for particular parties. The theoretical bankruptcy of the bourgeois political economy and the theoretical superiority of Socialism must have become patent to them. In addition, they found that the other classes strive more and more to hold art and science in subjection. Many, finally, are also impressed by the success, by the continual rise, of Social Democracy, especially when it is compared with the continual decay of Liberalism. In this way, sympathy with Labour and Socialism become popular among the educated ; there is hardly a drawing-room where one does not tumble across one or more "Socialists."

Were these circles of the educated identical with the bourgeoisie, then certainly we should have had the day won, and all Social Revolution would have been superfluous. With these classes one could discuss the matter peaceably; from them the slow, quiet development has no violent intervention to fear.

Unfortunately, however, they form only one section of the bourgeoisie, and that the one which, though writing and speaking in the name of the bourgeoisie, does not determine its action. And classes, like individuals, are to be known not by their words but their deeds.

Also it is the least energetic and militant section of the bourgeoisie which evinces a sympathy with the proletariat.

Formerly, of course, when Socialism, even in the ranks of the educated, passed for almost a crime or lunacy, bourgeois elements could only join the Socialist movement when completely breaking with the bourgeois world. Whosoever at that time passed from bourgeois circles to Socialism, required much greater energy, revolutionary enthusiasm, and force of conviction than a member of the proletariat. In the Socialist movement, therefore, these elements belonged as a rule to the most Radical and revolutionary.

Quite different is it to-day, when Socialism has become

fashionable with the drawing-rooms. It requires no particular energy, no break with the bourgeois society, for any one to call himself a Socialist. No wonder that an ever-growing number of new Socialists remain stuck in the traditional modes of thinking and feeling of their class. But the methods of warfare of the Intellectuals are different to those of the proletariat. The latter can only bring against wealth and the force of arms its superior numbers and the solidarity of its class organizations. The Intellectuals, on the other hand, are insignificant in numbers and without class organization. Their only weapon is that of persuasion by word of mouth and by pen; they fight with "intellectual weapons" and "moral superiority," and with these weapons the drawing-room Socialists would also wish to decide the proletarian class war. They declare themselves ready to lend the proletariat their moral support, but on condition that it gives up all idea of using force, and that not only where it has no prospect of success—there even the proletariat gives it up—but even where it has. Hence they try to bring into discredit the idea of revolution, and to represent it as a worthless method. They endeavour to detach from the revolutionary proletariat a Social Reform wing, and help thereby to divide and weaken it.

This, so far, has been the sole result of the commencing conversion of the Intellectuals to Socialism.

By the side of the "new middle-class," the old one, the petty bourgeoisie, is still dragging on its existence. This species of middle-class was formerly the backbone of all Revolution; vigorous and militant, it readily, when circumstances were favourable, rose against any and every kind of oppression and exploitation from above, against bureaucracy and militarism, against feudal and priestly privileges. It formed the advance-guard of the bourgeois democracy. Just as a portion of the new middle-class to-day, too, the old one was at various times inspired with sympathy for the proletariat, co-operated with it, and gave to and received from it intellectual inspiration and material support. But just as the new,

so the old one, too, always was an untrustworthy ally, precisely because of its intermediate position between the exploited and the exploiting classes. As already said by Marx, the petty bourgeois is neither a thorough proletarian nor yet fully a bourgeois, and feels himself, according to circumstances, now the one, then the other.

From this double situation there arises a split in the ranks of the petty bourgeoisie. One position of it identifies itself with the proletariat, the other with its opponents.

The fate of the petty industry is sealed and its decay is irresistible. But this shows itself but slowly in the reduction of small undertakings, although very rapidly in their ruin. Some of the petty owners become entirely dependent on the large capital, and turn into mere home-workers, wage-slaves, who instead of working in a factory, work for the employer at home. Others, especially small dealers and small publicans, remain independent, but find their only customers among the working-class, so that their existence is entirely bound up with the fortunes of the workers. These sections draw more and more closely to the fighting proletariat.

Quite different it is with those sections of the petty bourgeoisie which have not yet become completely subjected to the large capital, but stand on the verge of ruin, as well as with those who look for their customers in other than proletarian circles. They doubt their ability to raise themselves by their own efforts, and expect everything from above, from the upper classes and the State. And, since all progress is a source of danger to them, they are bitterly opposed to it in any and every sphere of life. Servility and the need for reaction makes them ready accomplices and fanatical defenders of the Monarchy, the Church, and the nobility. With all that, they remain democratic, because only under democratic forms of Government can they exercise political influence and secure through it the support of the State.

It is to this division in the ranks of the petty bourgeoisie that the decline of the bourgeois democracy is due. A portion

of it joins the proletarian Social Democracy, others the reactionary democracy, which, though flying different colours of anti-Semitism, Nationalism, Christian Socialism, of certain sections of the Conservative and Centre parties, are nevertheless always, essentially and socially, the same.

Many of their phrases and arguments this reactionary democracy have borrowed from the Social-Democratic mode of thinking, and some at the beginning believed that they formed but a special transitional stage from Liberalism to Social Democracy. To-day this view is manifestly no longer tenable. Social Democracy has no more bitter enemy than the reactionary democracy. If it has devolved on Social Democracy to champion every and any kind of progress, whether it directly advances the class interests of the proletariat or not, the reactionary democracy is by its whole being driven to oppose all progress, even where it does not directly threaten the petty bourgeoisie. If Social Democracy is the most progressive, the reactionary democracy is the most reactionary of all parties, since over and above the hatred which all reactionary classes feel towards progress, it is yet inspired by the recklessness which comes from crass ignorance of everything lying outside its narrow mental horizon. To this must be added that the petty bourgeoisie succeeds in dragging on its existence, thanks only to the merciless exploitation of the weaker and most defenceless human labour, that of women and children. In this it naturally meets, first and foremost, with the opposition of the Social Democracy, which tries by organization and compulsory laws to prevent such a wastage of human life.

Thus the petty bourgeoisie, so far as it does not come over to Social Democracy, turns from an ally and an intermediary element between the upper classes and the proletariat into a bitter foe of the latter. Instead, therefore, of softening down, the class antagonism becomes here as accentuated as can be ; indeed, it increases very rapidly, since it is but recently that it has become clearly noticeable at all.

What is true of the petty bourgeoisie, is also—with but a few qualifications—true of the peasantry. This also splits into two camps, one of proletarian (peasant owners of tiny plots) and another of propertied elements. It is our task to accelerate this process by enlightening the former as to the solidarity of their interests with those of the proletariat, and by thus winning them over for Social Democracy. We hinder it, however, if we ignore it and appeal to the entire agricultural population without distinction of class. The reactionary democracy in the country, though, perhaps, not always fully conscious of this antagonism, is, in its essence, just as hostile to us as that in the towns. Those, therefore, who believed that the peasant association movement is for the peasants but a stage of transition from the old parties, viz. the Centre (Clerical) party to the Social-Democratic party, were just as mistaken as those who expected the same from anti-Semitism in the towns. The middle and large peasant proprietors hate the Social Democracy, if but for the reason that it champions shorter hours and higher wages for the worker, and constitutes thereby an important factor which draws the labourer from the land and leaves the peasant in the lurch.

Thus, in the country districts, too, the class antagonisms between the propertied class and the proletariat grow ever more acute.

But even more than the antagonism between peasant and wage-worker does this hold good of the antagonism between the cotter and the large landed proprietor.

In the system of farming on a large scale the wage-labourer plays a far more important part than in the small peasant economy. At the same time high prices of the necessaries of life are, too, of quite a different value to the former system than to the peasant, who consumes the greater part of his produce himself. Of course, the opposition between the producer and the consumer of the necessaries of life is not that between the worker and his exploiter, but between town and country. But in town the proletariat forms the most numerous, the

best organized, and the most militant class; and so the seller of the necessaries of life comes here again into direct conflict with the proletariat as his most energetic opponent.

No wonder the big ground landlord thinks of the industrial worker nowadays differently to what he did formerly. In former times the struggle between the industrial capitalist and his workers left him indifferent—nay, he watched often with an unconcealed malicious pleasure, even with a certain sympathy for the proletariat. It was not the latter who then stood in his way, but the capitalist, who demanded protective tariffs where he, the ground landlord, wanted free trade, and, *vice versâ*, looked on ground rent as reducing his profits, and wished to snatch from him the monopoly of the better-class positions in the army and bureaucracy.

To-day, all that has changed. The times when there were friends of labour among the Tories and the Junkers, the Disraelis, Rodbertus, Vogelsangs, are long gone. Like the petty bourgeoisie and the class of the middle and large peasant proprietors, the big ground landlords, too, have become more and more hostile to the labour movement.

But the *capitalist class?* This is to-day the paramount class. Does not it at least become more friendly to labour, like the Intellectuals?

I am sorry to say I have not noticed anything of the sort.

Certainly, even the capitalist class changes; it does not remain always the same. But what are the most important of its changes within the last decades?

On one hand we find a softening down—nay, sometimes even a complete cessation—of the competition in which the capitalists of a single branch of industry are engaged throughout their particular country, by means of employers' associations, trusts, etc. On the other hand, we see the accentuation of international competition through the rise of new capitalist countries, especially of Germany and the United States.

The employers' associations abolish competition among the masters, not only as against the buyers of their products,

but also as against their workers. Instead of being confronted with numerous purchasers of their labour-power, the workers have now only to deal with a single master. How much the advantages of the employers are thereby increased, and also to what extent their opposition to the workers is thus accentuated, needs no further elucidation.

According to the last census of the United States, the wages of the workers in American industry have, during the decade 1890–1900, suffered an absolute decrease. If that is so, we cannot be far wrong in attributing it to the work of the syndicates and trusts.

In the same direction, moreover, works the growth of foreign competition. Here, too, in addition to the consumers, it is the workers against whose interests this development proceeds. Over and above the raising of prices by means of protective tariffs, which in their turn favour the formation of employers' associations, it is the increased exploitation of labour by which the capitalists seek to meet foreign competition. Hence the accentuation of their struggle against the militant organizations of the workers, political and trade-union, which stand in their way.

Thus here, too, there is no softening down, but, on the contrary, an intensification of the class war.

To this may be added, as a third factor, the increasing fusion of the industrial capital with the money capital, with the *haute finance.* The industrial capitalist is an employer in the domain of production (this taken in the widest sense and including transport) in which he exploits hired wage labour and extracts a profit out of it. The money capitalist is, on the other hand, the modern form of the ancient usurer. He draws an income from his money, which he nowadays lends on interest, not simply to needy private individuals as formerly, but also to capitalist employers, local authorities, States, etc.

Between the industrial capitalist and the money capitalist there is a great antagonism, similar to that between the former and the landowner. Like the ground rent, the interest on

borrowed capital is a deduction from the profit. The interests of both kinds of capital are thus on that point antagonistic. Nor do they agree politically. Just as the great landowners are to-day in favour of a strong, preferably a monarchical form of Government, because so far as they are a court nobility they are in a position to bring personal influence to bear on the monarch and thereby on the Government; just as they, further, are enthusiastic for militarism, which provides their progeny with an officer's career, for which the bourgeois youth is less fitted, and always therefore advocate a policy of brute force at home and abroad, so in the same way is the high finance enamoured of militarism and a strong spirited policy both home and foreign. The lords of the money capital need not fear a strong State power, independent of the people and Parliament, since they can always dominate it as creditors, and often, too, through personal court influences. They have, moreover, an interest in militarism, in wars and national debts, both as creditors and Government contractors, because the sphere of their influence, their power and wealth, is thereby enhanced.

It is different with the industrial capitalist. Militarism, wars, national debts imply increased taxation, in which it has to bear a considerable share, or which increase for it the costs of production. War implies over and above this a slump in the production and sale of goods, business difficulties, often bankruptcy. If the financier is rash, extravagant, and a supporter of brute force, the industrial capitalist is, on the contrary, economical, prudent, and peaceful. A strong Government arouses his suspicions, all the more as he cannot directly influence it. Not a strong Government, but a strong Parliament, answers to his interests. In opposition to the big landowners and the high finance he is inclined to Liberalism. Its half-and-halfness is his too. Do ground rents, interest, taxes, limit his profit on one hand, then the rise of the proletariat threatens on the other the whole profit system. But even in his relations to the proletariat, where the latter does

not appear to him too menacing, he prefers the peaceful methods of "divide and rule," of corruption and attraction by means of philanthropic institutions, etc., to violent means of suppression. Where the proletariat has not yet struck out a line of political action of its own, there the industrial capital is only too ready to use it as a battering-ram and as a voting machine to increase its own political power. To the petty bourgeois the opposition between the industrial capitalist and the worker appears of less moment than that between the employer's profit on the one hand and the ground rent as well as the interest on capital on the other. The abolition of interest and the ground rent he looks upon as the solution of the social question.

The opposition, however, between finance and industry ceases now more and more, since with the advance in the concentration of capital finance gets an ever-increasing hold of industry. An important means thereto is the increasing supersession of the private employer by the *joint stock companies*. Well-meaning optimists see in this a means to "democratize" capital, and thus gradually, and in a peaceful manner, without exciting attention, to change it into national property. As a matter of fact, it is a means to transform all the money of the middle and lower classes, which they do not require for immediate consumption, into money capital, and to place it as such at the disposal of the big financial money capitalists in order to buy out the industrial capitalists. It thus increases the means whereby finance can concentrate industry in the hands of a few money lords. Without the joint-stock company system the big financiers could only control those businesses which they had bought with their own money. Thanks to the company system, they can make numerous businesses dependent on themselves, and thus acquire such of them which they would not otherwise be able to purchase for lack of cash. The whole fabulous power of Pierpont Morgan and Co., who, within the space of a few years, have concentrated railways, mines, the greater part of

the ironworks, in one hand, and have already monopolized the most important ocean lines of steamers—this sudden capture of supremacy in industry and transport of the most important civilized nations would have been impossible without the joint-stock company system.

According to the London *Economist*, five men, J. D. Rockefeller, E. H. Harriman, J. Pierpont Morgan, W. R. Vanderbilt, and G. D. Gould, possess together over £150,000,000. They, however, control more than £1,500,000,000, while the entire capital which is deposited in the banks, railways, and industrial companies of the United States amounts to but £3,500,000,000. Thus, thanks to the company system, they control nearly one-half of this capital on which the entire economic life of the United States depends.

Now, as always, moreover, the crisis which will not fail to reach America will expropriate the small holders, and increase and strengthen the property of the bigger ones.

The more, however, money capital gains control over industry, the more does the industrial capital, too, take on the methods of the money capital. To the private employer, who lives side by side with his workers, the latter are still human beings, whose welfare or the reverse can hardly remain quite a matter of indifference to him, if he is not totally hardened. But to the shareholder there only exists the dividend. The workers are to him nothing but so many figures in a computation, in whose result, only, he is interested to the highest degree, since it can bring him increased comfort, increased power, or a diminution of them and social degradation. The rest of the consideration for the worker, which the private employers could still preserve, is in his case non-existent.

Money capital is that species of capital which is the most favourably inclined towards the use of violent means; that which easiest combines into monopolies, and thereby acquires unlimited power over the working class; that which is farthest removed from the workers: it is that which drives out the

capital of the private industrial employer and gains an ever-increasing control over the entire capitalist production.

The necessary consequence of all this is here, too, the accentuation of the social conflict.

But England will be quoted against me. Do we not find in England an increasing toning down of the class antagonisms? And has not Marx indeed said, England is the classic land of the capitalist mode of production, which shows us our own future? Is not, therefore, the present condition of England the one to which we are coming?

It is always England which the enthusiasts for social peace point out to us, and, curious to say, it is the very same people who make us, the "orthodox" Marxists, the loudest reproaches for clinging blindly to Marx's formulas, that think of demolishing us in the most decisive manner by the above formula of Marx.

As a matter of fact, however, the circumstances since *Capital* was written have altered enormously. England has ceased to be the classic land of capitalism. Its development approaches ever nearer and nearer its culmination; it is being overtaken by other nations, especially Germany and America, and now the relation between them begins to change. England ceases to give us a picture of our future, while *our* conditions begin to show England's future as regards the capitalist mode of production. This it is which an examination of the actual circumstances shows to those "orthodox" Marxists, who do not blindly repeat Marx, but apply his method in order to understand the present.

England was the classic land of capitalism, that in which individual capital first attained supremacy. It came to supremacy, overpowering economically not only the other classes of its own country, but also the foreign countries. Thus it was able to develop those peculiarities which I have described above as its own, in the freest way. It gave up the holding down of the working class by force, and applied itself far more to the task of "peaceably" dividing them, by bestowing

on their stronger and better organized sections political privileges, and seeking to buy and to corrupt their leaders by friendly compromise—a policy which too often succeeded. It gave up force and violence abroad, and peace and free trade became its motto. It lived peacefully with the Boers, and even finally put on the air of wishing to expiate the centuries of wrongs inflicted on Ireland by granting to it Home Rule.

But in the mean time foreign competition has become stronger, in many ways too strong, and this forces the capitalists to try to get rid of all resistance to their exploitation at home, and at the same time to secure markets by force. Hand-in-hand with this, the high finance steadily gets more and more powerful in the domain of production. England has consequently become of a different complexion. "The spirit of the time," state Mr. and Mrs. Webb in the *Soziale Praxis* (March 20, 1902), "has in the last ten years become adverse to the 'collective self-help' in the relations between employers and employed, which distinguished a previous generation. Nay, public opinion in the propertied and professional classes is, in fact, more hostile to trade-unionism and strikes than was the case a generation ago."

As a consequence of this change the trade-unions are now most seriously limited in their efficiency by the English courts of law. In place of free trade there is now a tendency to raise the price of the necessaries of life by a customs tariff; the policy of colonial conquest begins afresh, and with it coercion in Ireland. Only the remodelling of the army on Prussian lines remains to be done, and then England will follow in the train of Germany in her Polish policy, her customs policy, her social policy, her foreign policy, her military policy.

Does not that show clearly that it is possible to study the future of England in Germany (and also in America), that English conditions have ceased to paint our future? The stage of the "softening down of the class antagonisms" and of the opening of the era of "social peace" was confined to England, and is even there a thing of the past. Gladstone

was the most prominent representative of that policy of conciliating antagonisms by concessions, which corresponded to the mode of thinking of the industrial capital of England then dominating economically all other classes and countries. The most prominent representative of the new methods of money capital now fighting for supremacy is Mr. Chamberlain. It is among the strangest ironies of history that the Gladstone stage of social development is held up for our admiration in Germany as our future and as England's achievement never to be lost, at the very time when the Gladstone heritage crumbles into dust, and Chamberlain is the hero of the English people.

I will openly confess that I, too, formerly had laid great hopes on England. Though I did not expect that the Gladstone era would ever pass to Germany, I did, however, hope that in England, in consequence of its peculiar conditions, the evolution from capitalism to Socialism would proceed not by means of a social revolution, but peacefully by a series of progressive concessions to the proletariat on the part of the ruling classes. The experience of the last few years has destroyed my hopes for England too. The English home policy now commences to shape itself on the lines of their German rivals. May this, also, have a corresponding effect on the English proletariat.

We now see how far the assumption of a gradual softening down of the class antagonism, of an approach between the bourgeoisie and the proletariat, is justified. It turns out to have been not wholly without foundation in fact, but its mistake lay in that it generalized facts which were limited to a narrow area. It substituted a small section of the Intellectuals for the entire bourgeoisie, and represented a particular social tendency of England, and that already belonging to the past, as the general and ever-growing tendency of the entire capitalist mode of production.

XI

SOCIAL REFORM IN GERMANY AND IN FRANCE

By G. von Vollmar

An address delivered at Dresden, Feb. 7, 1901.

Georg von Vollmar is the leader of the reformist Socialists in the German Reichstag, and of the Socialists generally in Bavaria. He is by birth an aristocrat; and is an ex-officer of cavalry. After the dismissal of Bismarck, when the Imperial Government showed signs of embracing reform, he exerted himself to render its co-operation with the Socialists easier. At the Erfurt Congress (1891) he championed reformism against the Marxism of his colleagues in a set of remarkable speeches.

Of Millerand's Ministerial activity, here outlined, a fully documented account, by an intimate friend, is given in *L'Œuvre de Millerand*, par A. Lavy (Paris, 1902).

Present popularity of social reform.

In political life few words are so much in use to-day as the words "social policy" and "social reform." They are on the lips of all; Governments, Parliaments and parties, Science and the Church, acknowledge them. A regular rivalry goes on over the disinherited classes. No one desires anything but the good of the workers. Industry, as only lately again a great head of industry explained in the Reichstag, pursues its tasks not for the sake of profit, but chiefly in the interests of its workmen. The Agrarians assert that they demand higher duties on bread-stuffs and other country products, not from ordinary self-interest, but especially that they may pay the agricultural

labourers better wages. Societies are formed on a greater or less scale, with a more or less mixed membership, which indicate the furthering of social reform and social policy as their particular object. With loud flourishes of trumpets upon every occasion people proclaim the "social monarchy," and remind us, that in Germany the princes, particularly the Kings of Prussia, have always been princes of the poor, and have treated the welfare of the destitute classes as the first object of their rule.

Contrast with the *laisser-faire* period.

All this has not always been so. When the Social Democratic party arose at the beginning of the 'sixties and began its activity, the words "social policy" and "social reform" were as yet very little known and little understood. Rather, with the exception of this party arising out of the working-class, and of a small number of far-sighted men of scientific or philanthropic bent, people were then pretty generally of opinion that many things in politics and economics might be altered, but certainly the State had not to "socially reform" anything.

Liberalism in economics was then busy demolishing the crumbling ruins of the older economic conditions, bursting the bonds of long obsolete systems which cramped Germany's economic life, and liberating the economic forces in order to enlist them in the service of the wholesale production by capitalists which was being developed. That new politico-economic institutions and organizations had to replace the old, that a new edifice had to replace the one which was demolished, was such a flat contradiction of the then dominant Manchester School, that, with the exception of the Social Democracy, and the solitary wayfarers already mentioned, hardly any one thought such a thing possible. According to the conception of that time, the sole rule of economic life was to be the "free play of forces," which must regulate the production and consumption of goods, the relation between capital and labour, and the distribution of the national wealth, in the only way possible and the best way conceivable. The

economic sphere belonged exclusively to private activity, and the State with its legislation and government had nothing, or virtually nothing, to do with it—nothing more than to get rid of the obstacles checking the free development of economic forces, to smooth the way for the unimpeded turning to account of capital and labour, to promote transport and trade, to safeguard acquired wealth and its enjoyment, and to keep the masses of the working people nicely in order. In this scheme the relation between employers and workers was quite a private concern, and the labour contract purely a subject of private law. Buying and selling of labour was a simple market proceeding, which, like the sale of any other wares, was determined exclusively by the economic laws of supply and demand. To wish to interfere and disturb this proceeding on behalf of the State seemed then a wrong to the national welfare, and just as senseless as resistance to any other natural law—so that at that time people treated the Social Democrats much less as enemies of the civil and divine order of things than as poor fools, who wished in their infatuation to mutiny against the eternal laws of capitalistic production.

Laisser-faire replaced in Germany by a general belief in State interference.

Since then, in spite of all which we may otherwise deplore, a far-reaching change has been accomplished in public opinion. For, though plenty of relics and traces of the conception I have sketched are still with us, and continue operative under altered names and shapes, yet to-day the actual Manchester doctrine is in principle vanquished. Under the pressure, on the one hand, of the economic development, which, along with the gigantic rise of the capitalistic form of production, exhibited more and more clearly those sides of it which injure society; and, on the other hand, under the rapidly and unceasingly augmented influence of the Social Democracy, which from a small sect developed into the largest party in the Empire, and penetrated all relations—legislation and government, and political life as a whole have been impelled

upon quite another path. To-day, however far its execution may lag behind in practice, in principle, at least, the Socialistic conception has prevailed, that economic life is not a sacred preserve for purely private interests, but rather the first, fundamental, and therefore most important factor in the life of society, and that consequently the State, as the organ of society, has the right and the duty to interfere and regulate economic enterprises wherever the interest of society makes it seem needful and requisite. People had with this to acknowledge the principle, that the regulation of relations between employers and workmen for the protection of the working classes, who at once form the chief class in society and as against the great power of capital are at a disadvantage, is among the most essential objects of the State.

The Anti-Socialist Law.

No doubt it has cost much work and severe struggles for things to reach this point, for this conception to vindicate itself in the face of the united opposition of the employers, the ruling classes, and the power of the State. When the Social Democracy, in the later 'seventies, began, contrary to their opponents' expectation, to grow quickly and to assume a size which seemed to menace the ruling classes, the well-known attempt was made to suppress this party and its social and politico-economic doctrines by force. The exceptional law was passed against the Social Democracy. It burdened us twelve years, and demanded numberless sacrifices, but effected the exact opposite of what was desired. At its close the party had grown many times the stronger for it. Certainly the authors of that law showed a great amount of infatuation and shortsightedness. But its prime author, the then Imperial Chancellor, Prince Bismarck, by the side of his whole failure to understand the working-class, its life and struggles, and the entire tendency of the economic development, nevertheless grasped this much, that nothing was to be accomplished by the use of violent suppression only. Accordingly he declared that certain "positive" measures of social reform must go hand-in-hand with it.

Thus originated in Germany the Workmen's Insurance legislation. The reproach has often been made against the Social Democracy that it voted against the several insurance laws; and even now there are anti-Socialist orators of the lower sort, who, for want of better arguments, try to make out the Social Democrats to be "workmen's enemies" on account of this attitude. But for whoever considers this matter thoughtfully, the necessity of our attitude at that period is as clear as daylight. The Workmen's Insurance legislation came in at the time of the most severe, reckless persecution of the Social Democracy; that time of the "white terror," when not merely the Social Democracy incurred the repression, but the burden of the exceptional law in the interest of the employers was applied against every effort of the working-class, however organized; when the smallest trade-union occupying itself with the narrowest professional interests was dissolved; when no workmen's newspaper was tolerated, however moderate; when the Government, in the words of the then Prussian Minister, Von Puttkamer, saw "behind every strike the lowering hydra of revolution"—in brief, when there no longer existed a public working-class movement. Against a Government proceeding in that way ours could only be war to the knife, and everything must then resolve itself into the question of strength. There was another thing besides. Bismarck instituted workmen's insurance with the avowed intention, not of satisfying urgent demands of the workers, but of furthering the interests of his own domination. He thought that when he converted millions of workmen into small income-receivers, he would succeed in interesting them in the State as he conceived it (*i.e.* in the State as it was at the moment, and the Government then in power), in detaching them from the life of their class, and in making them props of what is called "civil and social order." The result could only be an unlimited distrust on our side. And so the many and mischievous defects in those laws, of which no small part are

Bismarck's social policy.

Attitude of the Socialists to it.

still unremoved to-day, had all the greater weight, and necessarily impelled us to vote against them.

Since then affairs have gradually altered. It is true there is still a state of war between us and the Government and the ruling parties. But even war has its degrees; you may carry it on in modern-European style—somewhat as happened in 1870 between Germany and France—or in the style which the English now adopt in South Africa, or that which, together with the other Powers, Germany is at this moment adopting in China. To-day, then, a state of war within rules has replaced the purely barbaric war of annihilation. Moreover, thanks to the force of economic facts and our own strength, we have succeeded in frustrating the object pursued by the Government in the insurance laws. The German working-class has notlet itself be tamed and made subservient by receiving little insurance annuities, but asserts its just demands with all the greater vigour and with growing certainty of success. Thereby the Workmen's Insurance legislation has lost for us the character of a question of strength. We can treat it quite practically, and recognize the useful element which in it is mixed up with the bad. Thus last year we were able, though after much consideration, to vote for the latest additional laws on insurance against accidents and disablement; which, as it was, contained some not unreal ameliorations for the workers, and if the parties of the majority had been well-disposed, might easily have contained more. We did not, and do not, let ourselves be deterred by our opposition to the Government from examining quite practically such measures affecting the life of the working-class. And just as often enough already we have had to be the defenders and special supporters of these laws, which are now so inseparably bound up with our working-class life, against their supposed inspired authors, so we shall always most decidedly insist on this legislation securing increased benefits for the workers through its necessary extension.

Possibility of a less hostile attitude now.

But even if one were willing to assign to the Workmen's Insurance legislation more actual significance than in its present defective state it possesses, only ignorance or wilful deception can pronounce it the most essential thing which the workers demand, and act therefore as if Germany's insurance laws placed her in the front rank of social reform. No, insurance against illness, accidents, and old age, important as it is in itself, can as little be the main thing as, for instance, can the provision for housing, latterly becoming more and more urgent—no matter how high the importance of the housing question must rightly be appraised. Of late people are recognizing, even in some quarters that are opposed to us, how deplorable the housing conditions of the working-class mostly are, so that the joy of life, the sense of family, morality, health, and even existence are buried beneath them. All the same, and although in this question also we are ready to collaborate practically if it is seriously taken in hand, it can never claim more than the significance of a question of economic detail.

General attitude of Socialism to partial reforms—insurance, housing, etc.

The essential, the core of the right social policy is—and thither the effort of every worthy social reform must tend—to enable the working-class increasingly to influence the shaping of the wage contract, and with it the process of production itself. That is secured first by a genuine State protection of the workers, and next, hand-in-hand with it, by the organization of the working-class.

Socialistic essentials.

Among us, it must be admitted, protection of the workers is talked about a wonderful deal. Any one willing to believe the employers, who treat even the faintest State interference as a theft of their hereditary rights, or to believe the boasts of the Government, might perhaps think already that nowhere in the whole world were the workers as well off as with us. Recently in the Reichstag, Herr von Kardorff—who, of course, is the deputed representative of Herr von Stumm—stated in a somewhat exalted

Protection of workers.

metaphor, that in Germany the car of social reform is now rushing on "at a frantic gallop," and the time when the proletarians shall manage the world's business seems at hand! Unfortunately, things are really quite otherwise.

The present Emperor's early enthusiasm for social reform.

Eleven years ago there was once a time, when it seemed as if in Germany, too, people wanted to take a full stride forward. At that time thoughts like these were proclaimed by an influential personage:[1] "The workers have the natural right to improve their position as far as they can, and to secure themselves the greatest possible gain out of the gain accruing to industry from circumstances. The complaints and wishes of the workers are to be examined from the standpoint that it is the object of the State authority so to regulate the times and types of work as to assure the conservation of health, the requirements of morals, the economic needs of the workers, and their claim to equality with the employers before the law. The workers should share in the regulation of the common interests of industry through representatives who enjoy their confidence, and should be made capable of safeguarding their interests against the employers and the authorities. The State businesses should be developed into model businesses genuinely solicitous for their workers. International conferences should be promoted, to discuss the protection of the workers," etc. Now, for us, of course, these matters were nothing new; for decades we Social Democrats had proclaimed these and similar principles, and were constantly denounced and resisted by the Government and the employers for doing so. But it was given to be understood that these principles were now at last acknowledged by others, and we were ready—obviously without in any way renouncing our further aims—loyally to help in the advance, and to further it according to our power.

But it only too soon appeared how well founded were the doubts, which had at once forced themselves on us in reference

[1] The present Emperor, William II., is of course meant.

to the realization of these beautiful programme principles. Prince Bismarck, when he shortly afterwards was dismissed from office, and sat sulking in his Saxon forest, is known to have expressed the opinion that all these announcements were only intended to influence the votes of the electors. Others, again, have maintained that the words were meant seriously at the time of their utterance, but that the working-class was expected to be unable to contain itself for rapture, and the Social Democracy to wheel round *a tempo* into the ranks of the parties of order.[1] However that may have been, this much is certain, that the inspiration of the moment was soon much diluted. When eventually the very employers, who otherwise pose so strongly against the Social Democracy as props of authority and the throne, mutinied in public, and did not hesitate, in case some check was not put on the influential personage's leanings towards the Social Democracy, to threaten point blank a "revision of the monarchical sentiment,"—then the taste for a serious social reform soon perished. And when the travailing mountain at last gave birth, quite a tiny little mouse came to light—though a mouse which even so was far too big for the employers. Once for all to take from Government the liking for such vagaries, the gentlemen who now knew themselves to be completely uppermost—in the way which we have had strikingly illustrated these last few weeks *à-propos* of the discussion of the famous 12,000 marks affair [2]—got rid of the extremely tame social-reform Minister, Von Berlepsch. Then came in for Prussia Her Von Brefeld, and for the Empire, Count Posadowsky, and the latter made

Change of the Emperor's mind.

Victory of the reactionary employers.

[1] *Staatserhaltenden Parteien*—the phrase still regularly used to denote the non-revolutionary parties, as opposed to the Social Democrats.

[2] Certain officials in the Imperial Department of the Interior accepted 12,000 marks (£600) from the Central Federation of German Manufacturers, in order with it to promote agitation on behalf of the Labour Bill introduced May 26, 1899.

a right-about declaration in his very first speech: that henceforward progress in social policy must be slow and considerate, and that it did not do to institute social reforms without first being assured of the assent of the employers, *i.e.* the sheepfold should in future be "protected" in concert with the wolves.

With that ensued a time of complete stagnation in social policy. The coercionists of the great industry set the fashion; their interest was most completely impersonated by Herr von Stumm; and the Junkers, always ready for any reactionary business, supported them. By their open and occult lobby influence—in the Reichstag as well as with the Government and at the Court—they were able to impede every detail of progress. Not content with that, they sought, in order to subjugate the workers still further, to deprive them even of their few rights; this was the object of the "Revolution" Law, and later on, of the "Prison-house" Law; not forgetting the constantly renewed demands for the removal of universal, direct, equal, and secret suffrage which could only be carried through by a direct violation of the constitution. Fortunately, the coercionists of the great industry have at present not proved strong enough to realize these plans. But, far as I am from wishing to draw needless spectres on the wall, and to threaten dangers without foundation, I must point out that the demands for laws of coercion and exception are by no means silenced yet; only recently the old craving for them was again expressed in the Prussian Lower House. Repression is the last resort of the wise and the one help of the coercionists, Junkers, and violent politicians of every sort, who have learned nothing from the Anti-Socialist Law. The acts and impulses of these people will, therefore, have to be watched, if we are not to be taken by surprise some day.

Consequent stagnation of social reform in Germany.

After years of a complete standstill the protection of the workers began gradually to be mooted again; but only started moving on the one-inch scale, under countless checks and

hindrances, by very tiny strides. The results were merely petty work, details of execution. The best that we have got from this period still is the slow extension of factory inspection and the law on industrial tribunals, though there are great defects in the latter which have since been accentuated by the extension of the arbitration courts for corporations. Nothing has been said of introducing new elements into social legislation. That effort of the workers which, next to organization, is the most important of all, the *regulation of the hours of labour* by law, has so far made no progress. As little have we succeeded in obtaining our old demand, seemingly so obviously, for the introduction of a legal representation of the working-class in *Chambers of Labour*. So, again, as to parity of treatment for manual and industrial workers; as to the extension of workmen's protection to home-work, shop employment, inn employment, domestic service, and other categories of work; more than all, as to the equalization before the law of public employees and those of private businesses. As for the *right of combination*, no doubt it exists on paper; but of its effective realization and its urgently needed safeguarding against capitalistic mastery nothing is yet said.

Hostility of the Government to the organization of the workers.

Things are no better, as regards the attitude of legislation and Government towards the organization of the working-class, which is primary and of such fundamental importance, that if needful it can make good a series of otherwise defective conditions, forming both the means of securing all sorts of protection for the workers, and the necessary preliminary for turning it to good account. For unless the working-class acquires the framework of powerful organizations, and unless these exercise vigilance, initiative, and active strength, even relatively useful ordinances of law remain for their largest and best part dead letters. Now that the opposition of interests and the war between capital and labour are with us and are no longer to be banished from the world, it is to the public interest, over and above the aims of the working-class, that

this war should as far as possible assume regulated forms. To enable economic and social struggles to be carried out fruitfully and without needless expenditure of strength and sacrifice, it is necessary to replace inexperienced, incoherent masses blindly staggering from passion and excitement to despair, by an aggregate of workers who know what they want, who have a common mind, education, and self-discipline, as well as the insight into the whole situation requisite in order to estimate accurately the strain entailed upon their strength and the prospects of gain from it. From this point of view an enlightened Government should itself further the trade-unionist organization of the workers, or at least secure to it a minimum of disturbance. Instead, our governing circles in Germany regularly evince extreme distrust, and generally even public hostility, towards the trade-unions. Every possible hindrance is put in the way of their activity, while the quite inadequate right of association and combination is worn out in opposing them: juristic personality is withheld from them, and their members are excluded from public employments.

Such organization is in the public interest.

To be fair, I will point out that the situation is not wholly the same over the whole empire, but that in some of the allied States may be noticed definite, though modest, beginnings for the better. While in Prussia, Saxony, etc., the trade-unions are systematically ignored by the inspectors of industry, in South Germany the inspecting officials are officially in touch with the workers' organizations—trade-unions, grievance committees, and especially workmen's secretariates; they claim their collaboration in carrying out the protection of the workers, executing statistical work, etc.; they attend workmen's meetings, sometimes even address them, and testify publicly to the utility and indispensability of organizations for the social elevation and culture of the working-class. The remarkable activity of the Baden inspector, Wörrishofer, is known to you, and some other

Greater social progress in South Germany.

Co-operation of inspectors with trade-unions in Baden and Bavaria.

inspecting officials display an activity in social policy which deserves recognition; in Bavaria we have now a disposition to centralize the industrial inspectorate, and form a real department of social policy in the Ministry. We have further carried the point, that the appointment of assistant inspectors out of the working-class, as well as the workmen's right to participate in the inspection of building and mining, is at least recognized in principle, though its execution still leaves much to be desired. At any rate, in various larger cities a number of workmen are already acting as official building-inspectors, among whom, for instance, in Munich there are men enjoying the confidence of the mason's organization; and people seem willing to let mining-inspectors be elected by the workmen's committees. Notoriously, the inferiority of workmen before the law is shown with peculiar suggestiveness by the fact that, while otherwise the introduction of drastic rules is preceded by a consultation of all possibly interested parties—Agrarians, men on the Stock Exchange, heads of industry, master mechanics—only the workmen are regularly not invited. This bad custom we have at last succeeded in breaking through; both before the issue of the new Bavarian building regulations and before that of the new mining regulations, conferences were called by the Ministry, to which, besides officials, representatives both of workmen and employers were invited. We have formulated the further demand, that they should proceed systematically in this direction and establish a special ministerial department for labour questions, which should not consist merely of professional officials, but should have among its members an equal number of workmen and employers, to take part in the preparation of laws and ordinances. Although the Government thought that this was too much all at once, and that they could not proceed "so far," no contradiction of the principle was advanced. In Hesse the demand mentioned has already in part been granted, while a number of workmen's representatives

Working-class assistant inspectors.

Consultation of the workers before legislation.

have for definite objects been called into the Ministry. In Bavaria the hours of work in the workshops of the railway and military department have been reduced to 9½—no doubt, I admit, an insufficient reduction, but any how at least a beginning; the eight hours' day for miners, which was already voted by the Lower Chamber, was unfortunately lost again through the opposition of the First Chamber and the weakness of the Centre Party. The right of combination for workmen in firms in whose work the State is concerned, has (besides through resolutions of State Parliaments) obtained a practical recognition in the fact, among others, that in Hesse and Bavaria (I do not know whether elsewhere) the Government gives out its printing only to firms which pay the Printers' rates. Further, in regard to public gratuitous employment agencies something has been done; the labour bureaux in Stuttgart and Munich in connection with a committee of workmen's and employers' representatives work for the removal of harmful private employment agencies; and latterly more attention is paid to the extension and centralization of labour intelligence over the country; with cheap travelling tickets for men seeking work. And there are other things of the same kind.

Hours of State employees.

State contracts clauses.

Employment agencies.

But in the greatest part of Germany, especially in the leading country of Prussia, little or nothing is to be observed of such dispositions for the better. And thereby those States, which show more insight into social policy, and whose proceedings are denounced as "a bad example," are hindered from proceeding faster and more vigorously with their improvements.

At present—that is, in the last few years—in spite of all opposing difficulties, trade-unionism has expanded in a powerful and extremely welcome way; though one should beware of exaggerating it, for there is still only a small percentage of workers professionally organized, and the division of their forces through the introduction of party-political

Organization of workers; its recent growth in spite of State hostility.

and religious points of view robs the movement of a great part of its strength. But to the improvements which trade-unions have been able to secure in the situation of the workers, not only has the State contributed absolutely nothing, but every inch of progress has had to be wrung by constant fighting from the political as well as the economic potentates. We have not yet realized the legal equality of the workers, which exists on paper, but is more or less openly disputed by most employers. Employers great and small still regard themselves as "bread-givers," and want to be "masters in their own house," *i.e.* to settle conditions of labour dictatorially, and treat the workers as subjects, or rather as mere chattels. The private rights of the employer still infringe the public rights of the worker, who to keep his wage has to sell the political rights which the laws of the State give him; people of the type of Herr von Stumm assume the right, because they let "their" workmen live, of lecturing them on their most private concerns, telling the worker what he may read, what public-houses he is to visit, when he may marry, and so on. In this respect we stand in Germany to-day where the English workers stood many decades ago—with, I admit, one important exception, namely, that in spite of, perhaps rather because of, these conditions, we have in the Social Democracy a political organization of the working-class such as no other land so far possesses, which forms for Germany the first stimulus and the first starting-point for all economic, social, and political improvement.

Stagnation in social reform coincident with commercial prosperity.

All this backwardness in social policy which I have described occurred precisely while Germany stood beneath the star of an unparalleled industrial prosperity, while the great industry expanded on a really gigantic scale, while Germany competed successfully with England in the world-market, and the national wealth grew enormously. Moreover, our backwardness occurred at the very time, when in various countries, whose economic development is in some

ways behind ours, more or less considerable progress was made in the sphere of social reform. I will not to-day speak of Switzerland, or England, or North America and the Australian colonies, interesting and instructive as some of their steps in social reform are, and greatly as they deserve our attention. I will confine myself to one country, which, in size, is not far behind Germany, and in regard to industrial development has only lately been overtaken by us, so that it forms a good point of comparison.

Social reform in France compared.

In France the anti-Socialistic Manchester School of hostility to State interference in the economic sphere exercised longer a decisive influence, extending indeed to the working-class. Political freedom did little—with the exception of the trade-union law of 1884—to improve working-class conditions. For this the traditional schism of the Social Democracy into warring sects, and the consequently desultory and erratic action of the trade-unions were responsible. Then came the well-known movement for the revision of the Dreyfus case, which gradually developed to a severe crisis in the State. The stability of the Republic and its liberal institutions was (as I have elsewhere described in detail) most gravely imperilled by the coalition of the generals, the Clericals, and the Nationalists. In this situation the progressive bourgeois Republicans recognized that only an alliance with the living force of the working-class could save the country from the threatened *coup d'etat.* And so, for the first time in the history of modern Social Democracy, the Socialists participated in the supreme government, in the well-understood interest of the country and with the special object; and Alexandre Millerand entered the Waldeck-Rousseau Cabinet as Minister of Commerce and Industry.

The Dreyfus case, and the entry of Millerand into the French Cabinet.

It is not to-day my intention to go into the important political consequences of this event, which would require a

special treatment. I will confine myself entirely to the sphere of social policy, and show you how France, previously backward in this sphere, has, thanks to the activity of the representative of Social Democracy in the Ministry, entered on an era of energetic protection of the workers, and placed herself quite at the head of social reform.

Millerand's law upon hours of labour.

As to the legal regulation of the hours of labour, there were several ordinances in France, but they remained dead letters, and were not enforced. For this, not only the Government and the employers, but also the workers were to blame; the latter were very badly educated in respect of social policy, and often blindly co-operated with the employers in deceiving the inspectors and hindering the enforcement of the laws on hours of labour. Thus there was in France practically no State-limitation of the working-day, which frequently was of twelve, fourteen, sixteen, or more hours, not only for men, but for women, and even children. This state of things the Socialist Minister soon ended by elaborating a law which was speedily adopted by the Chamber and came into force. This law introduces a similar normal working-day for all businesses in which men, women, and children are employed together; a day fixed at eleven hours for 1899–1901, sinking to ten and a half in 1901, and remaining at ten from 1903 onwards. Similarly, you know, we German Social Democrats have proposed in the Reichstag, that the normal working-day be fixed immediately at ten hours and then gradually shortened to eight. Highly important as is every reduction in the hours of labour in the workers' interest and in reference to culture generally, opinions may vary as to what number of hours is fitted and adapted as a universal standard for a particular country and a particular time, in short, for a given stage of development. The main thing is for a statutory regulation of the hours of labour to gain its ground and be carried out in practice. In the works of the post and telegraphs, which were under his own department, the French Minister of Commerce at once

introduced the eight hours' day; and the miners have prospects of obtaining it shortly.[1]

Millerand's public contracts' clauses.

Millerand took a not unimportant step in a decree about the conditions under which in future contractors would be assigned public works or might purvey for State purposes. According to these rules, which are binding on the State and optional for departments and communes, the contracting employers must satisfy a series of conditions in favour of the workers whom they employ. These are: guarantee of no work on Sunday; drawing up of a percentage of the foreign workmen to be permitted; fixing of the normal working-day and the minimum wage for every category of workers; prohibition of piece-work. The normal wage and working-day are agreed upon by the organizations of workers and employers; where such do not exist, a committee composed of workers and employers decides. Conditions of work are altered according to locality; and supposing, for instance, the local rate of wages in the trade rises, the conditions of contracting change correspondingly. If the employer for any reason does not pay the wages agreed upon, the State makes short work of it, and indemnifies the workers by corresponding deductions from the payment due to the employer for the job. Further, the Minister has the right to exclude contractors who do not observe the labour conditions from taking any further part in public works and supplies.

Millerand and workmen's insurance against accidents.

Insurance of workmen against accidents has in France been but lately introduced, and organized quite differently from ours. Although the law expressly ordains that the cost of the insurance shall be borne by the employers, they have in great measure thrown this off upon the workmen by simply deducting the insurance premium from wages. Millerand has now provided by a circular to the authorities, that this mal-

[1] The French Chamber voted the eight-hours' day for miners on February 5, 1902, but it is not yet law. Under M. Combes' Cabinet the eight-hours' day has been introduced by M. Pelletan in all dockyards and naval arsenals.

practice shall cease, and the costs of the insurance, which belong, like the wages of labour, to the cost of production, shall be borne exclusively by the employers. In regard to provision for old age, the Government have very recently promised to propose a law securing this up to 600 or 700 francs.[1]

Regarding industrial tribunals a law has for some time been in preparation, through which a real constructive improvement of these institutions should be effected. In future, industrial tribunals are to have a final jurisdiction up to 2000 francs, instead of 200; and their jurisdiction is to be extended to shopkeepers' assistants, railway servants, and all workmen and employees of the State, the departments, and the communes, excepting the officials proper. The right to vote begins at twenty-one, capacity to be elected at twenty-five; and they extend to women. The law having been shaped thus in the Chamber, the conclusion of the Senate is still awaited.

Millerand and industrial tribunals.

Millerand has given his especial care to the trade organization of the workers. He has striven to further trade-unions in every way, and to make them representatives of the working-class, recognized by the State, and invested with administrative powers. While the already mentioned trade-union law of 1884 still limited the proprietory and business capacity of trade-unions, and completely withheld that of federations, a Bill now before the Chamber gives full legal personality both to trade-unions and to federations of them, and with it the unrestricted right to acquire movable and immovable property, and to carry on business; so that they are in a position to initiate business undertakings, and above all to tender for public contracts as independent firms. To diminish a danger for the free exercise of the right of combination, the dismissal of a workman for belonging to a trade-union is made ground for damages at civil law; as conversely

Millerand's encouragement of trade-unionism.

[1] This problem is still unsolved (1903).

is the boycotting of an employer for employing non-union men.

The French workers have long fought hard against private employment-agencies, who mostly abuse their position, extortionately and otherwise, to the injury of those seeking work. The Chamber has voted a law—which, however, still needs the assent of the Senate, who are recalcitrant on this very question—gradually abolishing private employment-agencies for industry. After the promulgation of the law no more licences will be granted for setting up such agencies. Existing licences may be at once called in by the communes, though in this case compensation must be paid. After five years all private agencies are closed without compensation. They are replaced by communal labour bureaux, which make no charges, and must be established by all communes of over 10,000 inhabitants; smaller communes have at least to keep a register for entering offers and applications. The labour registers of the trade-unions and Bourses du Travail are to be on an equal footing with the communal establishments. The Bourses du Travail are a peculiar French institution, a species of local trade-unionist alliances, which receive considerable support from public funds; thus the one in Paris, besides about 3,000,000 francs for its foundation, receives an annual subsidy of 115,000 francs, while the 57 existing to-day receive altogether 354,180 francs in subsidies from communes, and 20,400 francs from departments. These Bourses du Travail, to which at least a third of the organized workmen in France belong, already exert quite a considerable influence on the labour market. With the collaboration of the trade-union federations and the Bourses du Travail a State labour bureau is at last to be formed in Paris to centralize labour intelligence. All public labour registers are to notify weekly their situations vacant; these are then to be systematically collected in lists, and placarded all over the country.

Millerand and employment agencies.

Over the protection of workers trade-unions have obtained

an immediate influence, in that Millerand has ministerially recommended the inspectors to attend to every information laid by a trade-union, and at once investigate the alleged improper condition of labour. Through this, and through the importance now attached to inspection, the inspectors get quite a new zeal and an authority as against employers which they never had before. Previously the officials were often hindered on entering works; at night they mostly found them closed. When recently something of this sort happened to an inspector, he did not go into long explanations, but curtly informed the head of the firm that he had freedom of access to all places used industrially, at all hours of the day and night, and that if necessary he would force an entrance.

Stimulation of inspectors, and their connection with trade-unions.

A very important measure is the creation of a regular legally recognized, economic representation of the working-class on the new Labour Councils. This institution, introduced by Millerand by way of an official decree, corresponds to what the Social Democratic group in the German Reichstag has long been vainly demanding in their well-known Bill for the introduction of Chambers of Labour. The labour councils, which are composed equally of representatives of employers and workers, advise, at the request of those concerned or of the Government, on all questions regarding conditions of work, and take part in inquiries ordered into them. For every district and the branches of industry that they represent, they fix the standard of wages and hours, and this fixing at once governs contracts of work or supplies for the State, or, in certain cases, for other public authorities. They make suggestions for the allotment and expenditure of the public grants to trade organizations. They investigate the causes of prevailing unemployment, and suggest remedies to the authorities. They report annually on the state of the protection of workers, and the execution of laws, decrees, and instructions concerning labour; and suggest improvements.

Millerand's creation of "Labour Councils" (*Conseils du Travail*).

Lastly, the sections of the industrial councils, which are formed according to trades, and in given cases are reinforced by the industrial tribunals of the same trade, have, under conditions to be mentioned later, to act as courts of arbitration in disputes between workers and employers. A substantial deviation from our German project is, that the French labour councils are not elected by all workers or employers, but only by those who are organized; all French men and women over twenty-five being capable of voting, without distinction of sex. This limitation proceeded from the view, that workers or employers, who have not yet recognized the need for organization, lack intelligence for the fulfilment of rights and duties presumed by the institution of the labour councils. Doubtless it forms a strong stimulus to organization. Millerand's opponents are really not so far wrong in talking of an "obligation to organize;" at least the present institution paves the way to one. Finally, be it expressly noted, that inside the State's own concerns, the postal department, railways, etc., these labour councils are constituted; while these and all public employees are subject, like the rest of the workers, to industrial tribunals, and have full freedom of combination and trade-union organization—all the exact opposite of our conditions in Germany.

The Supreme Labour Council.

As assistant council and advisory body in labour matters to the Minister of Industry there is the Supreme Labour Council, which dates from 1891. Hitherto it had quite a minor importance, as its members were wholly the Minister's nominees and possessed no sort of authority. Here also Millerand made a change. Now the larger part are elected directly by the organizations of workers and employers, and a further part, taken from the industrial tribunals, indirectly. To these are added a number of members of Parliament, officials, economists, jurists, the presidents of the Communal Council, the Chamber of Commerce, the Bourse du Travail, and the Workmen's Co-operative Societies, of Paris, while the Minister only

retains four representatives, among whom Millerand nominated a well-known woman Socialist. A standing committee has for its function to disclose evils in social policy, to arrange investigations, to report on necessary reforms, and to prepare legislation accordingly.

Millerand's Bill to regulate industrial disputes.

None of Millerand's measures has attracted so much notice as his Bill to regulate industrial disputes, generally called the Strike Law for short. In whatever form this Bill becomes law, it is anyhow interesting enough to deserve being examined and appraised in detail by the workers of Germany and of every country. There is not time for more detail upon it to-day, and I must confine myself to characterizing a few points in it. The Bill describes its own object as the creation of a "permanent organization of labour," the "establishment of solidarity among all workers," and the development of "industrial democracy;" others have described it as the introduction of constitutionalism and the parliamentary system into the workshop. The law is to apply to every industrial and commercial concern with more than fifty workmen or employees, so far as they contract to come under the law. This limitation is a concession, which the Government thought it must make to that spirit of hostility to all State interference in economic machinery, which I have noted, and which is stronger in France than elsewhere. It was expected to facilitate the acceptance of the proposal by the Chamber. If, however, the law is once made by contract to apply to a firm, from its own choice or in consequence of the pressure of the workers, then this "contract" is binding at law on the work and all engaged on it. How anxious the Government is, that the law may be made applicable as widely as possible, is shown not only by their efforts at promoting the workers' organizations in every way, and strengthening their influence, but also in the further fact, that they at once put the State itself under the law as regards its own works, contracts, and concessions. So though in

How far optional.

form the law is optional, the example of the State and the will of the organized workers will force it more and more on the employers.

The Bill is based on workshop-representation. Representative bodies are elected by the universal, direct, and secret suffrage of the workmen and employees in the firms subject to the law. They are to be in constant touch with the employers, and in the labour regulations definite times are fixed, at which the workers' representatives are to be received by the employers. If a serious dispute breaks out, and cannot be settled by oral negotiation, the representatives have to formulate the demands of the workers in writing and transmit them to the employer, who must reply in writing within two days. If he does not accept the demands, the two parties to the dispute choose their conciliators, who meet and try to settle the affair. If the employer omits to appoint his conciliators, or the assembled conciliators do not agree within six days, the workers have the right to decide about declaring work suspended. The workers or employees meet and vote by secret ballot "yes" or "no." The decision of the majority prevails, and the minority must submit to it. If the strike is thus voted, no more work may be done, and the place of work must be closed; in the contrary event work must be continued. The vote must be repeated at least once a week. If there appears no prospect of the strike being ended by the surrender of one side or the other, then at the instance of one of those concerned, or the authorities, the labour council, the convened representation of the organized workers and employers, takes action. The appropriate section of the labour council forms the court of arbitration; its decision is valid for six months, and both sides must conform to it.

New quasi-Parliaments of the employees in any one establishment.

Strike by referendum.

The arbitration court.

This Bill, whatever one's attitude to its proposals in detail, means undoubtedly a bold step in social policy.[1] The scientific

[1] The Bill's reception by the French trade-unions was, on the whole,

spokesman of the French Manchester School, Leroy-Beaulieu, has called it "the most colossal revolution that France has made since the great Revolution." That, I admit, is exaggerated; but a Socialistic author has justly insisted, that Millerand's work makes for fundamental and revolutionary change, and denotes an infraction of the bourgeois idea of law by Socialistic thought. In Europe there is nowhere anything like it; on the other hand, a law of the colony of New Zealand, of 1894, served Millerand as a model in many respects, while, generally, the social legislation of Australia is very advanced, and deserves much more consideration by the working-class than hitherto has been given to it.

Every German reader will at once be led to compare the Bill with our vanished "Prison-house" Law. Only, the French Government pursues precisely the opposite tendency. In the "Prison-house" Law the "free labourers," the strike-breakers, were proclaimed the ideal workmen, the "element of value" for the State and society, which should be efficaciously protected against the "revolutionaries." In France they proceed from the opposite standpoint, that the fights of the workers with capital have not an individual but a collective character, and so cannot be decided by the will of the single individual; since the worker who disowns or betrays solidarity and does not incorporate himself in an organization is the less estimable for that, and it is therefore the interest and object of the State in wage-conflicts to make the majority decide and the minority obey. While the Bill makes striking under some circumstances obligatory, it recognizes and legalizes the strike as a very exceptional weapon, to be used with all prudence, though not to be dispensed with under the present system of production. Further, it recognizes the workers' right to a voice in the determination of labour

Opposite attitude of German and French Governments to trade-unionism.

distinctly hostile. It therefore has not been proceeded with, but remains in suspense, as French Bills often do for long periods.

conditions. The preamble of the Bill says expressly: "Labour is the fellow-worker with Capital. But it is a fellow-worker who cannot without injustice and unwisdom be treated as under age. If its sudden onsets disturb the best-planned business operations, because nothing has been done to initiate it into the difficulties of enterprise, it is perverse to reproach it with its ignorance of the situation." That signifies the affirmation in principle of the practical legal equality of labour with capital, of the workers' share in determining the process of production.

Further, the effort towards furthering organization in every way and thereby enabling the workers to introduce further social improvements and innovations by themselves, comes out clearly again in this Bill. I have already pointed out, that in all its own relations to the workers the State submits to the Strike Law and sets a good example; and also—what in France is regarded as a matter of course—how the workmen and employees of the State and other public undertakings enjoy to their full extent the advantages of all other labour laws, and in particular the right of combination. In the preamble to Millerand's Bill the Government expressly indicate as their aim: "To develop the natural community of interest between the workers, to pave the way for trade organizations, and so to found a strong organization of labour." And the preamble closes with words which show so much social insight, that we in Germany have a difficulty in imagining that they proceed from a Government's lips. They run: "The Government of the Republic in proposing the present Bill pursues, as in the recent creation of labour councils, a task of social education and organization. It proclaims its confidence in the organized workers and the educative power of organization. It shows that it finds the security for social progress in reason, in loyal negotiations between representatives of the mutually opposed interests, in the scientific method, and in the realization of gradual advances. These are conditioned by economic transformations, whose final end no one can

flatter himself that he foresees, but for which every far-sighted man must open up peaceful and fruitful paths."

One further observation I should like to make, because it best marks the spirit which inspires Millerand in his whole activity. I have tried to show you, that the number of reforms carried by the Socialist Minister is an imposing one, and that their importance for the workers is extreme. But Millerand himself is far from exaggerating his achievements, and he knows well enough that the main work must be done by the organized workers themselves. When Millerand appeared last year before a meeting of workers at Lille, he closed his speech with the following words: "No doubt the measures I have introduced may secure for the workers an improvement in their condition. But their moral value is much greater. They appeal to the self-help of the workers, they give to the organizations of the workers as well as of the employers an influence on the fixing of wages, hours, and other conditions of work. What I aimed at especially was to stimulate the trade-unions to new activity and induce workers not yet belonging to them to rally to them—in short, to strengthen the trade-unions. In this manner we help to show the right way to workers willing to free themselves. We cry aloud to them, 'Organize! Singly, you are nothing; organized, you will be such an economic and moral force as this country has never known.'"

Guiding principle of Millerand; the workers must organize to better themselves.

What these words express is—whatever be the special demands of place and time—the view of every Socialist. Organization is the essence of the workers' movement, the bottom condition of the emancipation of labour and of the new social order. Just for that reason, though a Government may think itself, and be thought by its friends, ever so friendly to the workers, though in detail it may even pass this or that relatively useful measure of social policy, yet it will always encounter the greatest distrust and the

Identity of this principle with that at the base of Social Democracy.

keenest opposition from the workers, so long as it ignores that truth and hinders the organization of the workers instead of furthering it. Such a short-sighted proceeding can only aggravate, and embitter, and complicate itself, without being able to effect any real change. The irresistible rise of the working-class, which characterizes our time, no force can impede; sooner or later it will succeed in acquiring the power which is needed to carry out the economic, social, and spiritual emancipation of humanity.

XII

THE REVOLUTIONARY AND REFORMIST CONTROVERSY, AS ILLUSTRATED AT THE BORDEAUX CONGRESS OF THE FRENCH SOCIALIST PARTY

With a Commentary by the Executive of the Socialist Party of France

This Congress occurred on April 12–14, 1903, and was solely occupied in discussing M. Millerand's Reformist policy.

Millerand was attacked for dissociating his vote from his party's on three occasions: (1) on a resolution to abolish the State-grants for public worship, (2) on a resolution to prosecute Socialists who had issued a book held subversive of military discipline, (3) on a resolution inviting the Foreign Minister to make proposals regarding international disarmament.

The following extracts omit the long controversies over these votes, which Millerand defended, but promised not to repeat. The main debate was concentrated round two questions—whether Millerand should be censured, and whether he should be excluded.

From the Speech of M. Hervé (Anti-Millerand).

In the federation of the Yonne it is not our idea to take sides as between the reformist method and the revolutionary. In our federation there are partisans of both methods. But the majority, like myself, are reformists and revolutionaries at the same time. We are reformists in the sense that we do not believe, with the old Marxists, that our societies are split sharply into proletariate on one side, and great capitalists on

the other; and it is in this sense that I said at the Tours Congress that the class-war does not seem to us as rigid a dogma as it seemed to Karl Marx. I know that beside the proletariate there are small country landowners who substantially are much nearer to us than to the capitalist class. And I believe, moreover, with the reformists, that we should endeavour, by moderation of form and language, to bring over to our side all the really democratic groups in the nation. Thus, like all the Socialists of the Yonne, we applauded the defenders of the Republic at the outset of the Dreyfus affair and at the height of the crisis. That is the sense in which we are reformers.

But we are, at the same time, revolutionaries, because we are strongly imbued with the idea that the economic situation does really create hostile and antagonistic classes in our societies. We are revolutionaries, because we know that the bourgeoisie possesses such powers, and the masses of capital which it holds give it such means of falsifying universal suffrage, that we are not at all sure, Citizen Millerand, of attaining our desired solution by the reformist method. Our weapon has two edges—one the spirit of gradual reform, the other that of revolution; you wish, for your part, to blunt one edge of our weapon, while we, for our part, wish loyally to join hands with the group of the Radical party which resolves to go forward and take the turn to the Left. Yet, should that group some day turn its back on us, I want us not to emasculate the working-class; I want us, after having been able to join hands, to be able on occasion to clench fists. We admit that by legal methods radical reforms may be attained; but we know, too, that it is force that for long past has presided at the birth of a new society, and probably, alas! will preside again.

From the Speech of M. Sarraute (Pro-Millerand).

It is an entire policy which you are to judge. This policy is the policy of democratic Socialism, which gains ground daily

on that of revolutionary Socialism—I will ask you to let me briefly explain why—a policy which Citizen Millerand did not start, which he has merely developed and defined, and which forces itself upon us more and more in our Republican country.

I say "in our Republican country," and I would not, indeed, frame light-hearted generalizations or lay down fixed absolute rules independent of time and place. Historical and social environment does not square with these doctrinaire fancies, and it is quite futile to try inferring rules of action and conduct from a general idea or an absolute abstract principle. That is, however, what has been done, and is still done to-day, by some Socialistic theorists, who, starting from the evident, irrefutable, incontestable fact which is the very root and ground of Socialism—the class-war—have, without taking environment and institutions into account, given this fact a bearing and an effect which cannot be unreservedly admitted. For them, in fact, the class-war is not merely the conflict carried on through the ages between the Haves and the Have-nots—the conflict which in our modern societies pits capitalists against proletarians. For them the notion of the class-war is ampler and more comprehensive. It absorbs the whole life of society; administrative, political, and judicial institutions are merely the swords and sceptres of the possessing class. The State is a class-State.

From this conception, citizens, are derived in practice two sets of consequences, all the importance of which you shall grasp briefly. Firstly, the State and political institutions, being by essence and definition an instrument subserving the possessing class, cannot be expected to contribute anything to the emancipation of the workers; they are not to be won over, but to be broken in pieces, and the one issue open to the proletariate labouring for emancipation is the revolutionary issue. Secondly, as soon as the class-war absorbs the whole life of society, and political and social institutions are only different manifestations of this war, there cannot logically be

any interests in common between the capitalist and proletarian classes, and the supposed general interests—order, economic prosperity, national independence—are only private interests in disguise, interests of the possessing class, which the proletariate, therefore, should not take into account. That is how, citizens, the principle of the class-war has been interpreted by some Socialistic theorists, whose high moral and intellectual worth I hasten to recognize. That is how, in abstraction from the conditions of time and environment, there has been developed this notion of the class-State, with the two consequences which I have just emphasized: firstly, revolutionary action; and secondly, the denial of the general interests of society.

But, you quite understand, that was theory, abstract theory; and as soon as the Socialist party came down from the heights of speculation and took part directly in action; as soon as it clashed against the reality which it wished to transform, its practice at once ceased to be anything but a perpetual permanent violation of the rules of action laid down by that uncompromising hard-and-fast doctrine. Fact avenged itself. These deviations and compromises, for which some of our comrades are so bitterly and passionately reproached, do not date from to-day or from yesterday. They date from the first contact of theory with facts; they go back to the very origins of the Socialist party, to the day when it took shape as a political party and would fain exert a serious influence on the course of events, the day when by its first most crying contradiction, having laid down as a principle, as an axiom beyond discussion, the class character of the State and the impossibility of reformist action, it elaborated the articles of a minimum programme, a programme of immediate demands, and applied to the public power, to the State, for its realization. The explanation, citizens, of this deviation from the absolute abstract principle of the class-war, of this rapid and decisive evolution which leads to legal and reformist action, is not to be found in the weakness of individuals, nor in the fascination

or the corrupting effect of power; it is to be found entirely in the great fact which dominates our modern society—Democracy. Democracy is, indeed, the denial of the class-State. The class-State only has a meaning so far as the possessing class is by the very fact of possession the governing class, and the monopoly of property is reinforced by the monopoly of public power. On the contrary, as soon as the State is democratized, and equal rights are admitted for all, whether capitalists or proletarians, as soon as the *régime* of majorities replaces class-oligarchy, and the *régime* of property qualifications, it becomes contradictory and meaningless to talk of a class-State. Political and social institutions are no longer the work and the instrument of the possessing class; they become the work of the majority; they can be steered and guided in the direction of the public interest.

This speech was followed by one from M. Millerand in which he defended his votes, and substantially accepted M. Sarraute's principles. (Cp. also *infra*, pp. 180–184). After him spoke M. Jaurès.

From the First Speech of M. Jaurès.

Citizens, I should like to reply, as shortly but as clearly as possible, at once to Citizen Hervé, to Citizen Sarraute, and to Citizen Millerand, and particularly to the observations of Citizen Sarraute and Citizen Millerand. For my part, I reject absolutely the motion of exclusion proposed against Millerand. I find it not only brutal, but unjust and impolitic. I add that it would be extremely dangerous, if it should have the effect of hampering the free, fair, and needful criticism, which I think we should oppose to some unfortunate votes and a dangerous tactic, formulated here in theory by Sarraute and in practice by Millerand.

Yes, it is true, as Sarraute has said, that some of our Socialist comrades, whether inside or outside this hall, interpret the class-war in a sense much too simple, one-sided, and abstract. It is true that it is not enough to note the

antagonism between the capitalist and wage-earning classes; you must at once add—and Sarraute is right in insisting on it—that this antagonism moves and develops inside democracy, that it undergoes the conditions of the democratic *régime*, and that the struggle between the two opposed classes, between the two groups of antagonistic interests, cannot have either the same form, the same character, or the same means in a republican democracy and in a despotic or oligarchic state. That is true and incontestable.

But where Citizen Sarraute goes wrong in his turn, where he falls into the over-simplification for which he blames his opponents, is when he thinks it enough to lay down the principle of democracy in order to resolve, in a sort of automatic fashion, the antagonisms of society. Yes, we are under a democratic *régime*, but the enthronement of political democracy and universal suffrage by no means suppresses the profound antagonism of classes. Citizen Sarraute seems to transport himself to the end of political evolution; he seems to think that political democracy has received its supreme formula —as if political democracy itself could receive its supreme form while it is in contradiction with an economic form, not, for its part, penetrated by democracy. Sarraute's mistake is to consider political democracy in the abstract; just as Guesde, to my thinking, errs in positing the class-war apart from democracy, Sarraute errs in positing democracy without noting that it is modified, adulterated, thwarted by the antagonism of classes and the economic predominance of one class.

Even universal suffrage and political democracy undergo class-influence. Universal suffrage, in all its applications and its political movement, undergoes the economic influence of contemporary society in two ways. The most visible influence of economic oligarchy on political democracy is the pressure that employers controlling all the means of work, and therefore of existence, can exert on the workers by threatening dismissals and lock-outs; and daily the worker is injured in his portion of political democracy, because he has not his

portion of social sovereignty. But there is another distorting influence of our economic *régime* upon democracy—what I will call the influence of habit. Not only does the proleteriate too often suffer violence directly from the economic power of capitalists, but, if I may say so, its own mind is distorted by the habit of the social *régime*, under which it lives. The worst tyranny exerted by a social *régime* or form is, that in absorbing all the strength of the workers and pouring them into the mould of contemporary society, it renders a very great number of workers whom it overwhelms incapable even of conceiving another possible way of applying their strength. Thus contemporary society weighs doubly on the workers in the exercise of this political sovereignty; which is violated, firstly, by the employers, and secondly, by the silent and chronic capitalistic prejudice, stamped by habit on the very class which suffers from its sway. It is to react against these fatal effects—this pressure, this distortion—exerted by economic inequality even on the political action of the wage-workers, that we must affirm, always within the democracy, the antagonism of classes and the need for the proletarian class to organize; and always affirm the collectivist or communist ideal in the definite, precise, vigorous form needed to dissipate the capitalistic prejudice inoculated into the proletarian class itself.

If Sarraute will allow me to say so, he too—and I would invite his philosophic attention to it—has worked one-sidedly, in too simple and abstract a fashion. When I heard him speak of political democracy expressing itself above parties and classes by the impartial and decisive law of majorities, he seemed to me to imagine universal suffrage as a sort of extraordinary, supra-mundane God, living outside mankind and shaping the world. No, universal suffrage is carried along in the great current of economic action, influenced and distorted by it; and just as under the level surface of the sea subsist the unevennesses of the sea-floor, its hills and its abysses, so the flood of democracy has not yet got rid of social inequalities;

they mingle with it, and it is for us to achieve their destruction, for the proletariate to fill up the abysses and realize equality. Consequently the relation of the proletariate to the State is falsified by Sarraute in one way, just as, I think, it is falsified by Guesde in the other.

Guesde is wrong in thinking to-day (I knew a time when he did not think so) that the State is exclusively a class-State, upon which the too feeble hand of the proletariate cannot yet inscribe the smallest portion of its will. In a democracy, in a Republic where there is universal suffrage, the State is not for the proletarians a refractory, hard, absolutely impermeable and inpenetrable block. Penetration has begun already. In the municipalities, in Parliament, in the central Government, there has begun the penetration of Socialistic and proletarian influence; and, really, it is a strange conception of human affairs which can imagine any institution whatever, any political or social form whatever, capable of being closed to the irradiation, the influence, the penetration of one of the great social forces. To say that the State is the same—the same closed, impenetrable, rigid State, brazenly bourgeois—under an oligarchic *régime*, which refuses the proletarians universal suffrage, and under a *régime* of universal suffrage, which, after all, lets the workers transmit their will even to Government by delegates with the same powers and rights as the delegates of the bourgeoisie itself, is to contradict all the laws of Nature. There is no one force in Nature impenetrable to others; all are moving and crossing, all act on each other; and henceforth the State is penetrated, in part, by the force of Socialism and the proletariate.

If it is in part penetrated by this democratic, popular, Socialistic force, and if we can reasonably hope (and I do hope, as do Sarraute and Millerand) that by organization, education, and propaganda this penetration will become so full, deep, and decisive, that in time by accumulated efforts we shall find the proletarian and Socialistic State to have replaced the oligarchic and bourgeois State, I do not believe, either, that there will

necessarily be an abrupt leap, the crossing of the abyss; perhaps we shall be aware of having entered the zone of the Socialistic State, as navigators are aware of having crossed the line of a hemisphere—not that they have been able to see as they crossed it a cord stretched over the ocean warning them of their passage, but that little by little they have been led into a new hemisphere by the progress of their ship. Possibly we may thus gradually penetrate into the zone of the Socialistic State; but—and this is what Sarraute omits in his theory, and Millerand forgets too far in practice—granted that the State has been partially penetrated by the proletarian and Socialistic force, granted that we can and ought to hope, in reason, that the democratic State can be entirely penetrated, assimilated, and transformed by the force of Socialism and the people, it remains true to-day in a proportion still vast and overwhelming, that the State—thanks to the power of the propertied bourgeoisie, to the routine and narrow individualism of a vast mass of peasants, to the Nationalist diversions and the short-sightedness of part of the petty bourgeoisie of artisans and shop-keepers, to the division of the proletarians weakening and fighting against each other, and to the force of tradition—is in fact a bourgeois State, a State of capitalistic property; which to-day resists useless, and works with us in part; but which to-morrow, by the abrupt coalition of all our opponents or half-hearted supporters, may again become against us a State of violence, aggression, and systematic resistance: and if we should never lose the chance of penetrating as fully as possible this democratic bourgeois State, we should never let the proletarians forget that it is but still partially won over, that it is still largely a hostile force. Against this hostile force subsisting in the State we must pit the one force which can neutralize it—that of the complete Socialistic ideal, grouping and rallying the proletarians, to add to their force of penetration.

What I say of the democracy of the State, I say no less of the general interests which Sarraute mentioned. I admit that henceforth Socialism must guard its part of the country's general

interests—those of freedom, security, and prosperity; and Socialism will not fail to do so. It defends, and has defended, the political freedom of all classes—political freedom conceived at once as an instrument of emancipation for the proletarian class, and a guarantee of dignity for the individuals of the nation. Also it defends security: when we ask for the transformation of the barrack-army into a popular and national militia, it is not to disarm the country; it is, pending the time which we hasten of simultaneous European disarmament, to add to the nation's defensive strength, by harmonizing its military institutions with the principle of its political ones. And we defend the economic prosperity of the country; when conventions like the Brussels Sugar Convention intervene to regulate international economics, we see to it that France is not tricked; we think it the duty of our diplomacy, without violence or colonial exactions, to insist, so far as France's productivity entitles her to insist, that a share in distant markets, in China or elsewhere, be assured to the pacific penetration of our industry, which is a necessary condition for plentiful wages for the proletarian class. We do not therefore ignore the general prosperity, the general security, and the general freedom of the country; but I add, and the addition is needed, that in watching and guiding the course of general interests, we must do so from the proletarian standpoint. It is our good fortune that the general interest of France and of civilization is tied up with the self-interest of a rising class, which is the proletariate.[1]

Look at the health questions. Those diseases which come and infect all society—whence do they originate? From the squalor of the people, from the filth of the working-class dwellings. And it is we, who want to compel a new housing *régime* in

[1] Cp. the quotation from Mr. Frederic Harrison, prefixed to Gronlund's *Co-operative Commonwealth*:—"The working-class is the only class which is not a class. It is the nation. It represents, so to speak, the body as a whole, of which the other classes only represent special organs. These organs, no doubt, have great and indispensable functions, but for most purposes of government the State consists of the vast labouring majority. Its welfare depends on what their lives are like."

the great cities and the rural districts, who are not hampered in this by private-property prejudices, who put the health and life of men above a narrow interpretation of property rights; it is we alone who can here be the guardians of the general health, precisely in being the champions of the proletariate in particular. What, again, can contribute more to the nation's general forces, its productive forces, its power of economic expansion, than the health of the race, the health and vigour of the workers themselves? And it is we, and we only, who by a vigorous labour legislation can protect these working forces, which are not only the proletariate's right, but the whole nation's patrimony, and which capitalistic selfishness must not be allowed to squander. Again, from the economic standpoint—the standpoint of prosperity of which Millerand spoke, that of wealth of which Sarraute spoke—of course we do not want to set up Socialism in an impoverished nation; of course we do not want Socialism to be the effect of, or the signal for, a sort of economic rarefaction in our country; of course we want activity, initiative, and production to make wealth circulate in streams; but we want the streams to take numberless channels, to let their strength and their blessings reach all the producers. Well, what is to-day the most decisive means of augmenting these productive forces of France and of Europe? Obviously it is to rid Europe of the crushing, exhausting burden of old-fashioned armaments which not only squander seven or eight milliards of francs, but squander the strength of men in the season of youth and energy, when the activities that are numbed later could yield their maximum effort for the wholesale production. Well, and who can realize this simultaneous disarmament of Europe? Who is interested, most urgently interested, in the relief of the budget from this overwhelming burden? Is it the bourgeoisie? Yes, the bourgeoisie has some interest; to obtain the simultaneous disarmament of Europe we do not decline to appeal to its interest, rightly understood. We do not decline to; and we do not wish, by any sort of narrow, uncompromising prejudice,

to mutilate and sterilize our popaganda. But if the bourgeoisie, too, has an interest in disarmament, the proletariate, it must be agreed, has twice and thrice as much. It is interested because it, too, shares in the general progress of production; it is additionally interested, because while the bourgeoisie is already provided for—in the budget, by bounties, subsidies, and millions of State interest, and, failing the national budget, by the social budget of dividends and rents secured to it by the capitalistic constitution of present society—the proletariate can only be provided for—for the social work it needs, for relief, and insurance against unemployment, disablement, and old age—if there is such a large free surplus in the budget as there can only be when the millions squandered on works of international destruction are reserved for works of social solidarity. Lastly, the proletariate has a still more direct and decisive class interest in disarmament; it is that while armaments go on, while the spectre of war between nations remains on the horizon, the people and the proletarians themselves have necessarily a vital concern diverting to the care of external defence a part of the energies which should be spent on internal organization. In this way war, while it burdens the bourgeoisie like the people, is also a possible diversion against the proletariate; and that is why the latter, besides sharing the general interest of nations in the abolition of war, has, further, a direct class interest in it. That is why it is to-day not the only force, of course, but the deepest, most definite, most decisive force for disarmament and peace; and why we should preserve in the affirmation of the proletariate's will and policy, even inside democracy, the definiteness that ensures its needful vigour.

Well, I say that in my view Millerand's mistake in the votes which he gave, and which have been criticized, was in reckoning, like Sarraute, with but one aspect of the problem. He saw, quite rightly, that we were a democracy, a Republic; he understood, and had the courage to say, that this enclosure of the proletariate by Republican democracy, this possibility

for the proletariate to move and progress within the democracy and through the Republic, entailed special obligations as well as special opportunities on the proletariate and on the Socialist party which expresses it in politics; and to enable the Socialist party to assist in the common task of limited reforms, of strengthening public liberties, which can be realized in concert with the other democratic groups, he consciously or unconsciously abraded and blunted overmuch the sharpness with which the proletariate should stamp its own force and will even on the democracy. That is what I blame in his policy; that is its danger. I was glad to hear him say yesterday, that if he gave the votes criticized (of which I will speak), he did not give them to remain faithful to the attitude he had to take as a Minister in virtue of Cabinet solidarity. I was glad to hear him say that, because if he had said, or let it be understood, that the participation of a Socialist in the Government obliged the Minister who had been through a coalition to limit afterwards his Socialistic utterances to the momentary compact concluded in view of Ministerial action, Socialistic participation in the Government would be the worst of dangers, for it would kill off by the way all the living forces which our party might contain. Such a view is impossible, and will be impossible for the proletariate. When the proletariate wants, as I think force of circumstances will impel it, to make it a normal and regular practice for Socialists to take part in the central Government, the Socialist representative, while the Ministerial mandate which his party has entrusted to him lasts, will be bound by the rules and obligations of Ministerial solidarity. The proletariate will recognize in this a formal obligation—what I will call, if you like, a passing professional requirement—which makes no inroad on the representative programme; so that when the momentary Ministerial compact is over, he recovers—I will not say his undiminished freedom of Socialistic action, for he has never, save by a sort of purely formal stipulation, lost that—he recovers his entire freedom of speech. What would, I repeat,

be fatal, would be the notion that after this momentary compact for Government action there survived a kind of posthumous obligation ; for that would mean for ever limiting the statement of Socialism to the limits of a business programme necessarily full of the bourgeois spirit. I rejoice that Millerand sets forth the problem otherwise. He says: "No, but we must take account of the new conditions in which the Socialist party must move ; and since it can aspire to govern or in any case can henceforth exert a very strong influence on Governments, it must set itself to make their work as easy as possible, by not presenting to them, as I said just now, that part of the Socialistic programme which too violently exceeds the bounds of what is immediately realizable."

Ah, my friend Millerand, I acknowledge that your idea of tactics would make things singularly easy. But, let me say, it has, conversely, the same fault as Guesde's policy ; it is too easy. We are no longer at the stage when politics are easy for the Socialist party. Guesde has no difficulties with his : " I for my part know nothing in society but the working-class ; all that is not working-class I fight, and fight indiscriminately. I make no distinction between groups that are retrograde, violently retrograde, Cæsarist or clerical, and the liberal, democratic groups of the bourgeoisie ; I leave out the whole revolutionary tradition of France, which at tragic periods has forced the democratic bourgeoisie, in order to vanquish the Old Régime, to make acting agreements with the revolutionary population of the faubourgs, whose consequences extend into contemporary history." Guesde ignores all that ; he is shut up in an exclusive proletariate, as in a fortress surrounded by a deep moat, and fights impartially against every party encamped round it ; whether they come as friends or as foes, he turns his weapons against all quarters of the horizon alike. That is indeed the easy policy ; it is, if I may say so without hurting any one, the supremely lazy policy that which saves the trouble of acting, adapting, reflecting, drawing distinctions. But the essential function of the human understanding just is,

to find distinctions inside things which to the ignorant and the simple appear uniform. It is a childish policy, the policy of childhood, of powerlessness; it may have served for a passing hour to preserve the scarce-born consciousness of the proletariate from the troubling of outside influences; but now that the proletariate is formed, and is clearly self-conscious, now that the Socialistic idea is powerful, and it can and must act, to return to this policy of false no-compromise is to go systematically back to childhood; and whereas childhood is lovable and healthy when it is natural childhood, it is deplorable and deadly when it is the relapse of a mind already developed, but blinded by ignorance. Yes, this policy is easy to excess; you need only say, "Class-war."

But your policy, Millerand, is too easy also. You need only say, "We do not keep, or we keep chiefly for our statements of Socialistic programmes, anything but what can be immediately assimilated by the Governmental action of to-day." I admit that, if so, our relations with Governments and with other bourgeois groups are simplified remarkably. Only this policy has a decisive danger; it cuts the Socialistic programme in two. You saw through the tree at a certain height, and only the lower part of the programme remains assimilated to reality: the rest is an apex detached from the root; and the part of our programme which we have thus ceased to assert, which we have not incorporated by our assertions at least into the daily life of the party—this part ceasing to receive the sap of action and vitality, will no longer be anything but a sort of flourish, a dead survival.

I acknowledge, again, that this complicated policy which I am trying to formulate before the party, a policy which consists in at once collaborating with all democrats, yet vigorously distinguishing one's self from them; penetrating partially into the State of to-day, yet dominating the State of to-day from the heights of our ideal—I acknowledge that this policy is complicated, that it is awkward, that it will create serious difficulties for us at every turn; but am I to suppose that

you ever hoped, with your deep practical feeling and high intelligence, that we could pass from the period of capitalism to the organization of Socialism without coming across these difficulties incessantly?

The question was eventually referred to a Committee which sat late on the 13th, and reported to the Congress on the 14th. The order of the day originally suggested by the federations desirous of excluding Millerand ran thus:—

The Congress,

Recognizing that Millerand has openly taken the responsibility for his attitude and his acts:—

Without declining to pursue the policy of reforms capable of being obtained in accordance with the law of the Republic;—

Asserts that the Socialist party remains a party revolutionary in its end—the transformation of capitalist society into collectivist or communist society, and in its means—the general strike and recourse to the force of the proletariate in case the bourgeoisie cannot be expropriated by Parliamentary action;—

Declares that it only acknowledges the so-called practical policy[1] *so far as it entails on Socialism no violation of its programme and principles, no abdication of its programme and principles, no abdication of its ideal;—*

Decides that by his votes, which illustrate his personal tactics, Citizen Millerand has placed himself outside the Socialist party, and decides that within the Socialist party there is no room for the tactics and the conception of Citizen Millerand.

During the discussion in the Committee, however, the anti-Millerand representatives came to think that greater unanimity would be obtained by a briefer declaration, and therefore substituted the following:—

The Congress decides that Citizen Millerand is excluded from the Socialist party on account of his anti-Socialistic votes.

This was adopted in Committee by 19 federations, against 16 voting for an order of the day of M. Jaurès, and two abstentions. On the following morning it was submitted to the whole congress by M. Renaudel; after whom M. Jaurès set forth his counter-proposal in the following terms:—

This is the text of the order of the day which in the name

[1] *La politique dite des realités.*

of sixteen federations I will briefly, as far as my strength allows me, defend before the Congress :—

The Congress,

Considering that the action of the Socialist party ought to be constantly regulated by the idea of a complete transformation of the social order ;

Considering that the necessary work of daily reform cannot be separated from the constant assertion, in theory and practice, of the Socialistic ideal defined by the national and international congresses, particularly by the Congress of Tours ;

Declares that it is the strict duty of Socialist representatives to uphold by their votes the tradition of the Socialist party regarding the separation of the Churches and the State, and to insure always the free development of the working-class organized for the necessary struggle against the capitalist class ;

Declares, further, that the Socialist party is a party of free thought and perpetual scientific inquiry, but that its duty towards the proletariate is to exact from all its representatives the disciplined observation of the collective decisions of the party in Congress assembled ;

And takes note of the declarations made in this sense by Citizen Millerand.

I say, citizens, that this order of the day answers to every legitimate and reasonable anxiety of the Congress and of our opponents themselves. What do you want—what does the Socialist party want ? It wants three things. Firstly, it wants to assert that the work of reforms, of daily, Parliamentary action in which it is engaged, will in no way curtail the assertion of the ideal defined by the Congress. That is one of the essential parts of the declaration we submit. Secondly, it wants, while recalling the need for representatives to uphold by their votes the tradition regarding the separation of the Churches and the State, to indicate to French Socialists and Frenchmen generally that in certain individual votes Millerand had put

upon the party's doctrines a misinterpretation for which it was not responsible and which it forbade to be repeated. Thirdly, the Congress, the Socialist party, is to point out, that in our party there is full freedom of discussion and freedom of thought; that there are principles, but there is no dogma. And in asserting this freedom of thought and inquiry, this perpetual right of the Socialist mind to follow in its course the moving world and to renew its thought as things renew themselves, the party means to and must indicate the freedom of conscience, of thought, of mind, without which we should be the most miserable of churches claiming to set up an infallibility unsanctioned by divine intervention. And we had to indicate while asserting this indefinite freedom, that in action (and for representatives action takes the form of voting) there must be a certain minimum of unity and discipline, which does not bind the representative's tactics on this or that point, but which harmonizes his external action and his visible vote with the collective decisions of the organized party.

The orders of the day of MM. Renaudel and Jaurès were then discussed, the one expelling M. Millerand, the other censuring by implication his disputed votes, and engaging him not to repeat them. During the discussion Millerand made another speech, from which portions are here extracted dealing with (1) M. Jaurès' view of the opposition between ultra-reformers and ultra-revolutionaries, (2) the attitude of the party to participation in government.

I am only at this tribune to affirm my intention, my firm desire, to-day as yesterday and as always, to speak not of exclusion and infallibility, but of union, conciliation, and concord. It is because I desire this conciliation and concord intensely, that I ask you to let me briefly reply to that interesting and moving portion of Jaurès' speech where he came to close quarters with the two conceptions which he examined before you.[1] If he will let me say so in all friendliness, he seems to me to have paralleled rather too easily what he called the Guesde and the Sarraute conceptions. It is not

[1] Cp. *ante*, pp. 164–170, 176–178.

for me to defend the Guesde conception—I should be afraid of being charged with a want of conviction if I did—but regarding the Sarraute conception you will let me say that really perhaps it has not been considered as a whole; there has been the tendency, involuntary but arising naturally from its comparison with Guesde's, to bring out what is possibly its weak side. I have been told—for they have done me the honour, for which I am sincerely grateful to Jaurès, of associating me with the clear and striking demonstration of my friend Sarraute—I have been told, "Take care! you have blunted the sharpness (I quote Jaurès' phrase) of the Socialist proletariate." Do you think so, Jaurès? Our adversaries, all the same, seemed to find it sharp enough, judging by their outcries. No, we have not blunted the sharpness of the proletariate so much; nor is it perfectly accurate to say that my whole policy is limited to retaining that portion of the Socialistic conception which can be assimilated at once. I think with you that it becomes our duty, I consider our imperious duty, to intrude our ideas, bit by bit, into facts, laws, and customs; the more must we, while realizing peacefully and legally this work of necessarily partial and incomplete construction, show the proletariate simultaneously the complete Socialistic edifice as a whole, and never let it lose sight of the end towards which we march. Let me say that the speaker who addresses you cannot be charged with having ever forgotten the end for the sake of immediate reforms; and that I made a point, even when in office, I would say especially when in office, at the very time when I was naturally busy realizing what partial reforms I could, of asserting in public —at Lille, at Lens, at Firminy, whenever I possibly could— that I was not only a faithful soldier of the Socialist party, acknowledging my party's authority, but a Socialist who asserted when in office our unimpaired doctrine, our entire ideal. But, really, while we fulfil this duty, we must meet the needs of the day.

Just now Citizen Pierre Bertrand asked in this place,

"What is meant by the solidarity of classes?" I did not want to interrupt him, or I might have saved myself a speech and said, "I will not refer you to my friend Sarraute's very remarkable work on Socialism in opposition and in power—you might be prejudiced against it; I refer you to Jaurès himself. He showed this morning, in a lofty and precise manner, that the Socialist party could take charge on its own account of the general interests of the country, and that there was none of them in which the proletariate itself was not preponderatingly interested."

You, Jaurès, said that we must look at these social interests from the proletarian standpoint. But what does that mean but to look at them from the standpoint, not of a narrow class, but from the highest standpoint that one can take up? To say that we look at them from the proletarian standpoint is to say that we study them from the standpoint of those who are the mass, the many, the crowd, the disinherited, to whom we would fain give more light, justice, and well-being. Class-solidarity, therefore, is patent to all; it forces itself on their attention. It does not suppress class-antagonism; they are two standpoints, different but equally true. Society to-day is such as to admit simultaneously both a class-antagonism—which our aim just is to abolish, by abolishing classes—and also, citizens, a class-solidarity, thanks to which we not only can but must care for the general interests of the country, since in working for all we work for the proletarians.

If that point is reached, do you not see we are at the end—we are agreed? It is understood—for I heard no protest anywhere against Jaurès' words—that the Socialist party, serving and defending the interests of the proletariate, in no way neglects the general interests of the country, but shares in their burden. Is it not, then, clear that it must therefore in every way, under every accessible form, serve those general interests whose care is not separated in its thought from the proletariate's interests?

* * * * *

What I here assert afresh is the need for the Socialist party to unite clearly on common principles, accepted by all.

As for these principles, citizens, we have never all through this long debate discussed them. One point has been discussed for three long years—participation in Government; and on it you will allow me these few words. When it presented itself, as I told you yesterday, those more particularly called revolutionary Socialists, seeing themselves confronted by this natural consequence of their own conduct, were frightened. They saw that it was the condemnation, not of their conduct, but of a way of speaking which they declined to give up. They withdrew; you remained; and what then occurred in the portion of the Parti Socialiste Français which you form? A very natural thing. Before, during, and after the split—at least, in the few months which followed it—while not condemning participation in the Government, while accepting it, even, you yet surrounded it with all sorts of restrictions and reserves; just because you hoped, and would fain hope even against hope, to keep united to you the Socialist comrades who threatened to go off, and who in fact did separate; secondly, because you feared—and what scruples could do you more honour?—lest the wine of truth should be too strong for your adherents' heads if you poured it out to them without stint; lest in wanting to fly at one stretch to the end marked out for you, you should leave too many laggards and separatists by the wayside. Besides, you were in no hurry to settle it; you had in the Government a comrade who was there under his own responsibility; you had put him, as it were, on furlough there, and the position was—if he erred, the party could lawfully disclaim all responsibility, but if he did anything good and useful, he would, you knew, be the first to refer the honour and profit of it to the party as a whole.

But, citizens, that situation has ended. You have had to take sides, and what should have happened has happened: participation in the Government—I may say after this present

debate, whose pivot and centre, openly or implicitly, it has all the time been—is no longer opposed in principle. On that I must explain myself. You ask for clearness; you cannot complain if I am clear. I say that in all the debate, at which we have just been present, participation in the Government has apparently aroused no opposition; and if it does arouse it, then we must take sides—let me say no less flatly and frankly—about the principles as well as the direction of the party, *i.e.* about the essence of its methods. I think we should be fully agreed; I think we are; and it is because I think we are, because I am convinced that on participation in the Government, as on our principles, there is between the vast majority of this Congress and myself no opposition in what I say—— no, there can be no split between us; since, as soon as we agree on the guiding ideas, you understand that on questions of application, however important, divorce and division cannot be.

I believe that on these questions I was right in acting as I did; I have given you my reasons; I am confident that the future will confirm them, and that the application of the principles and tactics which I have indicated will lead you rapidly on this fated path. But understand that on these questions of application I only ask to go forward as a disciplined soldier. I have faith in the future, in the goodness of my cause, in your honesty, in the care which you have, as I have, for the interests of the Socialist party and of the country itself; and to-morrow, hand in hand, we pursue the same task, at which for the ten years we have worked together for the Republic and the social idea.

When the two resolutions were put to the Congress, that of M. Jaurès, censuring but not excluding M. Millerand, was carried by 109 votes to 89, with 15 abstentions.

Resolution of the Executive of the Socialist Party of France regarding the Verdict of the French Socialist Party at Bordeaux.

The Socialist Party of France has been formed by the junction of two seceding revolutionary groups under the old leaders, MM. Guesde and Vaillant. It is not strong numerically, but its pronouncement has a representative value.

The discussions and the result of the Congress which has just taken place at Bordeaux only confirm what we had always said, and easily foreseen: once admit the participation of a Socialist in bourgeois government, and every compromise, every desertion of the Socialistic standpoint, is not only possible but necessary.

Thus, in spite of voting for the Budget of Public Worship, for the application of atrocious laws, and against the non-intervention of the army in strikes, Millerand has found a majority to uphold him, uncensured, in the Neo-Socialist ranks.

Logically, he was right—granting the basis upon which this party was formed—and those who demanded his exclusion were wrong. Once admit the solidarity of classes in the sharing of the central Government, and every other kind of solidarity forces itself on you—

Solidarity in the establishment of a budget which, weighing chiefly on the producing class, gives the bourgeoisie the means of securing and prolonging its rule;—

Solidarity in a colonial policy, which is merely a policy of opening markets for products stolen from the producers, the proletarians of France;—

Solidarity in the obligation to uphold discipline in the army and clergy in the Republic, because intellectual police and material police are the indispensable instruments for any order amid the anarchy inherent in the present capitalistic *régime*;—

Solidarity in a diplomacy which puts army and fleet at the service of the bad debts of rotten financiers,[1] and makes the

[1] In allusion to the Mitylene incident.

French Republic the helper of every monarchy, the vassal of the Tsar's despotism.[1]

It now remains to be seen whether those who could once believe it possible to remain Socialists and revolutionaries while consenting to supply, even casually, partners in Government to the capitalist bourgeoisie, will in the light of these last events yield to the evidence, and be willing to go not backward but forward to rejoin comrades whose only fault was in being right before they were.

It is no matter, as those whose interest is in confusing everything try to give out, of opposing Revolution to reforms, the one excluding the other. Reforms and Revolution, far from being mutually exclusive, complete and condition each other:

For if torn from the hostile class, reforms, however limited, increase not only the freedom of action but the courage and keenness of the fighting proletariate; while if refused, they prove the impotence or the bad will of the governing bourgeoisie and form a first-rate stimulus for the working-class, which is driven to hasten the winning of its emancipation by the high hand.

The pretended opposition is only a delusion. The thing is to note, as the facts show, that there cannot be any Socialism away from that basis of class-war and uncompromising opposition to the bourgeois State, upon which the Socialist Party of France fights.

[1] The Tsar's visit to Paris, while Millerand was in the Ministry, rendered very difficult the position of the French Socialist Party.

XIII

THE THEORY OF INCREASING MISERY

The *Verelendungstheorie* has been so diversely understood that the following passages from the Bernstein debate at the German party's Lübeck Congress, 1901, seem worth detaching. Kautsky and Bebel are the leading Marxists, Dr. David a leading Revisionist.

From the Speech of Karl Kautsky.

How, then, do things stand with the Theory of Increasing Misery? The theory asserts, that things must always get worse before they can get better, that the proletariate sinks into ever-increasing misery until it has grown quite irresistible, and that only then does the great day of emancipation dawn. Comrades, has that theory ever been held by any one in the party with any claims to importance? Certainly not. It has long ago been refuted—refuted by none other than Karl Marx in his "Capital." "Increasing misery" is to be understood only as a tendency and not as an unconditional truth; it means only that capital, in order to increase its surplus-value, must tend to make the position of the workers ever more and more miserable. That we know; but Marx himself has indicated the counter-tendency. He himself was one of the first champions of laws protecting the workers, one of the first who drew attention to the importance of trade-unions, at a time when other Socialists ignored them, as early as 1847. He showed that this tendency is absolutely necessary, but not that it leads of absolute necessity to the depression of the worker. But we must distinguish ourselves from bourgeois

reformers, in that the latter think the tendency itself can be overcome and a social peace be established, a state of things in which capital does not tend to depress the workers. Capital must so tend; and that is the basis of the class-war, which must go on till we wrench from capital the instruments of its political and economic power. Till that is done, social peace cannot be restored; and only in that sense have we held fast to the Theory of Increasing Misery.

From the Speech of Dr. Eduard David.

Again, there is the Theory of Increasing Misery. We talked at Hanover about the miserable condition of this Theory of Increasing Misery; and now back comes Kautsky with the assertion that *no one* formerly conceived of it in the sense of a progressive absolute increase of misery, but that it always was only thought a tendency, with which counter-tendencies interfered. At Hanover I answered Kautsky by simply quoting the *Communist Manifesto*, where nothing is said of a tendency to depression, but where bourgeois society is described as not even in a position to feed its slaves—the worker turning into the pauper. And that is not said of individuals, but of the mass of the proletariate; and the manifesto makes not the smallest reference to counteraction by trade-unionist organization. Marx did so later; but in the *Communist Manifesto* he did not lay the smallest stress upon it. He did say something quite different; he said, "In the revolution closely confronting us the working-class will break its chains, because it has nothing to lose." And the *Communist Manifesto* closes with the prospect of revolution, in the sense of violent revolution close ahead. So there have been people who have taken this standpoint; and if to-day the *Communist Manifesto* is still set up as a standard, as Kiesel[1] has set it up, it is impossible to say, "What a crazy exposition of the Theory

[1] A delegate who spoke earlier on the same afternoon.

of Increasing Misery that is! No rational human being ever held that!" If one alters one's opinion, one should have the courage and the strength to say, "We made a mistake."

From the Speech of Bebel.

First of all, I intended not to go into differences of principle between the two schools. I thought that the Hanover Congress had settled that. To my surprise, Kautsky has deviated from this proper course. He has gone into the so-called Theory of Increasing Misery, and has thereby given David opportunity for a polemic. It is bad to let things of that sort go uncontradicted; so I will say a few words. The *Communist Manifesto* has been appealed to. I affirm that already in 1872, Engels, in concert with Karl Marx, declared that they wished to re-publish it only as a historical document. Whoever has studied the works of Marx and Engels in detail can have no doubt that they never set up the Theory of Increasing Misery in the sense explained by David. If anything is characteristic, and refutes large passages in Bernstein's "Presuppositions of Socialism," it is the passage from "Capital," prefixed as a motto to Bernstein's book, in which Karl Marx describes the Ten Hours' Bill as the victory of a principle. Marx took the view that by organization the working-class can counteract the depressing tendencies of capital, and if by the strength of their organization they succeeded in inciting the State to take such steps, then it was not merely a great moral advance, but the victory of a new principle. Even a man like Lassalle, who took so decidedly the standpoint of the Brazen Law of Wages,—even he gives no occasion for his being invoked as a witness on behalf of a false conception of the Theory of Increasing Misery. In his "Open Letter in Reply" he says: "People tell you workers you are to-day in quite a different position from that of three or four hundred years ago. No doubt you are better off than the Botokudians or than cannibal savages." "Every human satisfaction," he

says further on, "depends always on the relation of the means of satisfaction to what the custom of the period demands already as bare necessaries for existence, or, which is the same thing, upon the excess of the means of satisfaction over the lowest limit of what the custom of the period demands as bare necessaries for existence." "If you then compare," he suggests further, "what the rich class has to-day with what the working-class has to-day, then the gap between the working-class and the rich class to-day is greater than ever before." That is the pith of the Theory of Increasing Misery—a thing so simple and obvious that David, who is an important man in our party, and well acquainted with its history, should have been unprejudiced enough to recognize these conceptions of our great theorists.

XIV

SOCIALISM AND THE GENERAL STRIKE

By J. Jaurès

From a speech delivered at the Tours Congress of the French Socialist Party, 1902.

Jean-Léon Jaurès (born 1859) was educated at the Ecole Normale Supérieure, and graduated in philosophy. From 1881 to 1885 he was a Professor of Philosophy at Albi and Toulouse; from 1885 to 1889 he sat in the Chamber of Deputies as an independent Republican; from 1889 to 1892 he was again a professor at Toulouse, and became a Socialist. In 1893-98 he sat as a Socialist in the Chamber; he lost his seat in 1898, but regained it in 1902. In 1899 the French Socialists were united under his leadership; but the entrance of M. Millerand into the Cabinet in that year caused M. Guesde to lead a secession in 1900, followed by that of M. Vaillant in 1901, and of the Allemanists in 1902. There remain, however, under M. Jaurès' leadership about three-fourths of the French Socialists, with the ablest of the younger men.

I do not entirely disown the idea of the general strike, employed in the legal form which will give it a maximum force. The delusion is to suppose that the general strike gains force by becoming violent. That delusion has been experienced in the case of the partial strike.

M. Briand.—It is legal, we agree; but it is made revolutionary by counter-revolutionary resistance. See what took place at Barcelona; soldiers were despatched, guns went off, and the strike transformed itself into a revolutionary force.

M. Jaurès.—Let us be quite clear. I do not at all say

that the general strike cannot transform itself into a violent movement; but you are equally unable to guarantee a partial strike against doing so. I do not say that the general strike may not issue in acts of violence, and perhaps, if the repression is cruel and exasperates public feeling, in a revolutionary movement. But I do say that when we talk to the proletariate about the general strike, we must say that, so far as the cool thought and deliberate will of men can govern events,—and events of that kind—they should set themselves to preserve for the general strike its peaceful and legal character, because in that way it has more force.

That is the history of the partial strike. At first workmen did not think of it otherwise than as a progress towards revolt. Not a single partial strike occurred at the beginning of the century which was not accompanied by machine-breaking, by material violence against persons and property; the workers fancied that the strike would only be effective if it terrified the employers and the Government. Well, by experience the English working-class, which is our elder brother in the matter of strikes, perceived that the partial strike was all the more effective the better it was prepared and the more calmly, peaceably, and lawfully it was conducted; precisely because it did not give brutal force an occasion for interfering; and because in this way the economic interests of the bourgeoisie could be disturbed to a maximum extent.

I claim that experience, which has proved to the workers that the partial strike was the more effective the more it kept within the law,—I claim that the same experience will prove it for the general strike, at least in democratic countries. That is why the example of Spain, which you mention, cannot hold good for our country. You know that in Spain universal suffrage is only a universal swindle; you know that Spanish democracy does not exist. And, let me tell you, it is, precisely, experience which proves that the working-class is only obliged to resort to violence in the most backward countries.

I said just now that not many shots had been fired in

Europe. But many have been fired in the world? Where? In South America, in the Spanish Republics. The *régime* of the rifle goes along to-day with the decaying *régimes*. Your Spanish example cannot hold good for France. I am convinced,—and it is why I blame our friends for hesitating to take a stand on the general strike, and leaving it wrapped in a mystery which makes a bugbear,—I am convinced that when we attack that idea we shall see that the general strike can incorporate itself in the normal movement of modern working-class democracies, that it will increase the strength of the working-class and constrain it to a new effort at self-consciousness and self-government, if it wishes to obtain from it all the results which it may produce.

Therefore I am with you for the general strike, but on condition that it is not understood as Guérard understood it some years ago. . . . The idea was spread that the general strike was a machine which one kept in one's pocket, with the key of the machine in another pocket, in order that the police might not seize in the same pocket both the key and the machine. Then, at a given moment, one wound up the machinery, it struck the hour of the revolution, and the revolution was accomplished. That is the idea which we must not allow to obtain credence, because, even if it triumphed, the general strike would not realize Communism before the mass of the nation was prepared for it.

Some people seem to think that to create the new society it is enough to have for the moment the upper hand in the old. No, had the Commune triumphed, it would not have achieved Socialism. At most it would have set up in France, thirty years earlier, the Waldeck-Rousseau Ministry. I do not belittle what the triumphant Commune might have done; it might have spared us the ten or fifteen years whieh we spent in fighting the reaction and the forces of the past. But at most it would have been a Gambettist republic, with Clémenceau on the Extreme Left, which would have been installed after the Commune's triumph, because in spreading it would have

let itself be adapted to the mental and economic conditions of the country as a whole.

And what would have been true of the triumphant Commune, would be true to-morrow of a triumphant general strike. Ah, had it triumphed at Barcelona, do you think it would have swept away in a trice the old monastic, feudal Spain, with its great estates, its great households, and installed modern scientific communism? It would have been lucky, if it founded a republic constantly threatened by a military dictator.

So we must tell the working-class that the general strike is not this wonderful resource, this wonderful treasure. Révelin said: "The trouble is that we shall never be able to give a verdict on the general strike; there is no experience of it." True, Révelin, there is no experience of the revolutionary, ideal, absolute general strike, of which some people talk. But already, whatever they say, there have been many general strikes. It is an error to talk of "the general strike;" one should say, "general strikes"—there have been many such, and there will be more. And in examining the series we shall find, that, like partial strikes, like the trade-union movement, like universal suffrage, they are a mixture of good and evil; that sometimes they bring defeat, sometimes they bring partial victories; that they improvise nothing, are not a substitute for effort, do not enable the working-class to dispense with organization.

Look at the general strikes which have already happened; for they have happened, and if you wait till the whole of the working-class material has been set in motion by a declaration of the general strike, that will never happen. There have been already extensive strikes, involving numerous bodies, and aimed at supporting claims before the bar of public opinion; and that is the only complete definition of the general strike. There have been several. And sometimes, as at Barcelona, they have had results which we cannot estimate; sometimes they have had good but incomplete results, as in Belgium—since there, after winning universal suffrage with plural voting,

the general strike had to stop without winning universal suffrage pure and simple. Thus it has succeeded; but succeeded within limits.

Resolution of the Enschede Conference of the Social Democratic Labour Party of Holland upon the General Strike

The Conference was held on May 31 and June 1, 1903. The second and general strike of that year broke out on April 7. It was directed against a Bill to prohibit strikes of railwaymen, which seemed likely to secure the assent of an unrepresentative Chamber. It failed, and the Bill passed.

The Congress,

Considering that the recent movement against the Coercion Law came upon the labour movement unexpectedly, in consequence of Government persecution and the tyranny of the railway directors;

Considering that if the workers had possessed universal suffrage, they would have had in it a weapon for self-defence, and in this case would not have taken refuge in a general strike to defend their threatened rights;

Considering that for want of a unanimous class-consciousness, and from insufficient organization, they have not yet shown themselves capable of successfully carrying through such great movements, and that these deficiencies cannot be made good while the movement is actually in progress;—

Sees in the carrying out of the strike by the proletariate the abiding and hopeful sign of the courage and self-sacrifice of many Dutch workers who did not acquiesce in the brutal attack upon their most indispensable liberties without attempting to defend them to the uttermost;

Confirms the attitude of the Committee of the party, which has declared its solidarity with the trade-unions in this battle for the maintenance of their rights, and thereby proved to the

workers that in moments of extremest danger they can count on the Social Democratic Labour party;

Reminds comrades of the party of their duty in strengthening the Social Democratic conscience and organization among the workers;

And engages itself to carry on the fight for universal suffrage with redoubled energy.

XV

SOCIALISM AND THE CAPITALISTIC TRANSFORMATION OF AGRICULTURE

By E. Vandervelde

An address delivered to an audience of Belgian agricultural experts in July, 1899.

Emile Vandervelde (born 1868) is the leader of the Belgian Labour party in the Belgian Chamber. He is also among the most learned of living Socialists. His most recent publications upon Agriculture include *L'Exode Rural et le Retour aux Champs* (Paris, 1903), *Essais sur la Question Agraire en Belgique* (Paris, 1903), *La Propriété Foncière en Belgique* (Paris, 1900), and five studies in the *Annales de l'Institut des Science Sociales* (Brussels, 1898 and 1899).

From the following lecture a short introduction is omitted, in which M. Vandervelde refers the institution of property to social utility, and premisses that he will examine private property in land from this standpoint. His account of the decay of peasant proprietorship is the more interesting because drawn from the very country which to J. S. Mill (*Political Economy*, b. ii., c. 6, § 5) was "the most decisive example in opposition to the English prejudice against cultivation by peasant proprietors."

At the outset I must point out an underlying essential distinction, which is at the very foundation of the collectivist theories. I want to distinguish between peasant property exploited immediately by the owner himself, and capitalistic property leased out for exploitation because its owner is not a cultivator. Clearly these are two different economic categories, which cannot be confounded under one head without causing a real confusion. Clearly peasant property,

which is an instrument of labour for the cultivator, cannot be assimilated to capitalistic property, which is a means of exploiting this cultivator for the profit of a landed proprietor. I must therefore place myself in turn at the point of view of *peasant property* and at that of *capitalistic property* to examine the question whether private property in land is in the interest of society at large. So far as concerns peasant property, we have to ask ourselves first of all, whether in our country there still exist many cultivators who own the land which they cultivate.

The most recent statistics bearing on this point are to be found in the third volume of the agricultural census of 1895.

Ownership by the cultivator.

From them we learn, that there were then 231,319 cases of ownership by the cultivator (the owner cultivating all or more than half his land in each case). Are we to infer that there are over 200,000 cultivators owning the soil that they till? Statistically that is so, but practically it is quite clear that those who cultivate a "table-cloth," a "pocket-handkerchief" of ground of a few ares[1] —an estate of 2 hectares, for instance—cannot as a rule be regarded as peasant proprietors living in an independent way on the products of the soil which they cultivate, and finding in it a livelihood for themselves and their families. Except in districts of intensive market-gardening, and in certain parts of Flanders, they are really labourers, agricultural or industrial proletarians, who only find in their tiny estate *something to eke out their wages*, a more or less trifling resource to be added to their daily earnings. As to those who really possess an independent peasant estate, capable of furnishing the cultivator and his family with a livelihood, we shall be more than generous if we reckon as such all those in the whole country who exploit as cultivating owners more than 2 hectares. The last agricultural census gives their number as 66,452. From this figure must be deducted a certain number of large estates, some hundreds of farms of over 50 hectares (123·557 acres),

[1] 1 are = 119·603 square yards; 2 hectares = 4·942 acres.

which are cultivated by active owners with the assistance of agricultural labourers. So there remain between 50,000 and 60,000 peasant estates cultivated by peasant proprietors, who can, whether the season be good or bad, derive a more or less sufficient livelihood from them.

You notice that in our population of over six millions the peasant proprietor forms an extremely limited social category, limited in respect of numbers, still more limited in respect of the area exploited. In fact, as the statistics of 1895 go on to inform us, out of every 100 hectares of land, about half (49·4 per cent.) are cultivated by their owners, and the other half (50·6 per cent.) are rented; but it must be borne in mind that the official figures include as cultivated by their owners the woods, the waste lands, and the heaths, whether belonging to private persons or to public bodies, so that there are villages which seem to be the promised land of cultivating ownership when really they belong to landlords whose property is wood or waste. If we only take account of ordinary forms of cultivation, which alone interest us at the moment, the proportion owned by its cultivators out of every hundred hectares of land exploited in Belgium is 31·6, against 68·4 which are rented. And we should observe (for the observation has a fundamental importance) that most of the land cultivated by peasant proprietors is situated in the poorest and least-endowed parts of the country. In Flanders or Hesbaye ownership by the cultivator is exceptional—in the Ostend district, for instance, it has wholly disappeared; on the other hand, it still plays a great part in Campine, in the Ardennes and also in the south of Hainaut, in the districts of Chimay, Beaumont, etc.—that is, in parts where peasant properties are found in combination with common properties and often also with accessory industries. A striking instance of such a state of social affairs is that of the parishes situated along the French frontier, in the Philippeville constituency, Olloy, Oignies, Nismes, Petigny, Cerfontaine, etc. There are there a fairly large number of small peasant proprietors; the parish

has extensive common lands, which enable them to pasture their cattle, and to obtain firewood, or litter for their beasts. Besides this, the majority of these peasant proprietors spend their days also on industrial work. That is the case, for instance, with the slate-tilers of Oignies, the sabot-makers of Nismes or of Cerfontaine; and under these conditions these properties may be said to present considerable advantages for the populations who benefit by them.

These conditions, essential not only to their prosperity, but to their existence, may be summarized as follows:—

Conditions for the existence of peasant property.

(1) Property extensive enough to supply the cultivator's family with a livelihood.

(2) Accessory industry supplying them with supplementary means of subsistence.

(3) Rights over common lands sufficiently considerable for the peasants to procure what they require, in order to carry on their petty cultivation.

Under these conditions it comes about that a poor population, living in a poorly endowed district, finds itself really better off, socially speaking, than a population living in the most fertile and richest districts in the country. One cannot doubt, for instance, that the small farmer of the Waes country, with its pretty white flower-hung houses and such well-cultivated fields, but with such heavy rents to pay, has less favourable conditions of life and is less substantially fed than the peasant—poor, no doubt, but freer and more independent—of the Upper Ardennes or of Condroz. The first scarcely eats anything but churned milk and black bread; the latter is always sure to have at least some bacon with his potatoes. But in proportion as agriculture progresses, as agricultural technique is perfected, as the capitalist *régime* takes hold of industry and agriculture, we see the conditions for the existence and prosperity of peasant property disappear one after the other. It is idle, to prove it, to look for instances in other countries; it is enough to see what has happened in our own. We shall note, in fact, that for a century the

development of industry has resulted in the upsetting, one after the other, of what I shall call the props of peasant property.

First fell the rights over common lands. As soon as ever industry on the large scale begins to develop, and the industrial proletariate grows, and the food-requirements of the population increase—and as long as the competition of foreign corn-stuffs does not make itself felt—agriculturists regard the working of waste lands as an advantageous operation, and hurry by every means to divide up and alienate common lands. That is what happened in Belgium during the first half of this century. You know that to promote this transformation the Chamber voted the law of March 25, 1848, on compulsory alienation of common lands. In the course of twenty years the best part of the collective estate of the parishes was alienated. What remains of it to-day scarcely retains any importance except in Campine and the Ardennes region.

Rights over commons.

On another side, at about the same period, other factors intervened, and rendered the position of peasant property more and more difficult. There were in Flanders small cultivators or small owners, whose use of the soil was insufficient by itself to supply them with a livelihood, but who found a supplementary resource in home industries carried on by themselves, their wives, and their children. The women and girls spun linen, the man wove it; and in, so to say, every house on the Flemish countrysides was a textile business. But from 1847 onwards the potato disease and the introduction of machines reduced to starvation the greater part of these peasants, who were literally expropriated by the conquering competition of urban industry. From that date the Flemish labourers—especially those of the districts of Alost, Termonde, Audenaerde, etc.—as with the labourers of the district of Ath, are to be seen on annual emigrations, going off into the Grand Duchy, or into Northern or Central France, for harvesting and beetroot-gathering.

Home industries.

Lastly there comes in a third factor, tending to make the position of peasant property harder still. Formerly it produced, before all else, things of value for use, products consumed on the spot by the peasant himself; but now it has to produce things of value for exchange, products which find a sale on the market, to have the means of paying the ever-increasing taxes, the ever-growing burden of fiscal charges.

Production for exchange.

Destruction of rights over common lands, decay of home industries, production of things valuable for exchange instead of things valuable for use, and on top of these the action of the laws on inheritance, the influence of compulsory equal partition—such are the principal reasons for the diminution of cultivating owners and the critical position of peasant property.

But, some one will perhaps say, if you consult the official figures, you find, in contradiction to what we have been saying, that ownership on a small scale tends to spread, and that the number of owners increases from year to year.

This is, in fact, what a superficial glance at the figures seems to show. The documents supplied by the Finance Department inform us, that in 1846 there were 914,937 holdings of land in Belgium. In 1896 there were 1,187,000; and so it is often inferred that the number of owners has passed from 914,937 to 1,187,000. But it is important to notice some facts which reduce this inference to its real value—

Multiplication of Holdings.

(1) The population has increased faster than the number of holdings of land. In 1830 there were 22 holdings to every hundred inhabitants; in 1896 there are only 18.

(2) As every one is aware, many properties are only such in name; properties on which, as the Flemings put it, there is "a little man on the roof," *i.e.* a burdening mortgage.

(3) You know, too, that the number of holdings of land does not match the number of properties; that many proprietors possess not one holding but very many, scattered in

different parishes. In Flanders there are some landowners with 40, 50, and even 60 holdings scattered in as many parishes.

(4) There are in existence a very great number of holdings of land so small that they only represent a phantom of property. Not long ago I was studying the land-register of a little parish, Rixensart, situated beside the one in which I live, and I found there proprietors like these: one with 40 centiares, income fivepence; another, with income twopence-halfpenny; two others, designated suggestively, X. "*blind*," 2 hectares, Z. "*beggar*," 85 ares. It will be readily recognized that it is hard to consider proprietors of this sort as independent peasant proprietors capable of drawing from the soil which belongs to them a livelihood for themselves and their families. But after making this series of preliminary observations, we must examine more closely the statistics concerning holdings of land.

An investigation of the land-registers.

I have noted that the number of these holdings had increased since the date when the land-register was compiled; but the important point is, whether there has really been an equalizing partition of property, whether the laws of the Revolution, which aim at dividing up the soil among a constantly increasing number of proprietors, have produced that result. And to settle this question, which is of paramount importance, I have undertaken, with the collaboration of several friends, an inquiry, which has cost us long months of work, on the division of landed property in Belgium. This inquiry was of the following nature.[1] Possessing, thanks to the official statistics, the total number of holdings of land, we picked out in the 15,000 or 20,000 land-registers deposited in the provincial registries the holdings of over 100 hectares, which may be considered in Belgium as large landed estates. We have the figures of

[1] Monographs for each of the nine provinces, entitled "L'Influence des villes dans les Campagnes," in the *Annales de l'Institut des Sciences Sociales* (11, Rue Ravenstein, Brussels).

every province but one, that of Namur, in which, notoriously, large estates are more general than anywhere else; for the eight other provinces the following are the results given by a comparison of the land-register in 1834 (when it was first compiled) and in 1898:—

Provinces.	Holdings of over 100 hectares of land.	
	Total (in hectares) for 1834–1845.	Total (in hectares) for 1898.
Brabant . . .	38,963	41,545
Antwerp . . .	34,184	39,485
Limbourg . . .	15,298	12,522
Luxembourg . .	55,911	66,313
Hainaut . . .	55,258	39,186
East Flanders . .	14,414	18,927
West Flanders . .	23,048	23,847
Liége . . .	48,763	55,811
Eight provinces[1] .	285,839	297,636

So in the last sixty years, taking the country as a whole, property on the large scale, far from being subdivided, has rather gained ground. Partition has occurred in some provinces, *e.g.* Hainaut and Limbourg, but concentration on the other hand, in provinces such as Antwerp, Liége, Luxembourg, Brabant, and the provinces of Flanders; reckoning altogether, there is an increase of 8000 hectares for the eight provinces.

On the other hand, property on the small scale has gained ground since the number of holdings of land has increased; the partition has fallen, therefore, upon property on the moderate scale, on the intermediate class in society, on the family properties of which I was speaking just now. Evolution has tended in two directions—on the one side, the concentration of large properties; on the other, the breaking up of

[1] The figures for Namur have since been obtained: 106,672 hectares in 1834; 100,276 hectares in 1898.

middle-sized ones and the creation of dwarf properties which become too small to feed a family. What is the social effect of this? It is that peasant property becomes more and more incapable of feeding a family, and that those who still possess land worked by themselves as cultivating owners are obliged to seek other means of subsistence. Some take a small shop —oftenest a public-house; others are country artisans; others, again, take service as agricultural or industrial labourers; others go abroad to do harvesting, or even take the train each morning to go and work in the centres of industry; and after all that, what is left of the 50,000 or 60,000 peasants of whom I was speaking a moment ago? Barely a few thousands, who can still painfully, by a hard toil, by a real exploitation of themselves and their families, make the two ends meet. The rest have fallen into the proletariate, or cultivate for some one else's profit; and this diminution of cultivating ownership in consequence of insufficient capital, of partition due to the laws on inheritance, of the ever-growing aggravation of fiscal and military charges, is to be found indicated in the official statistics. Here are the figures given upon this subject by the last census. Taking into account only the ordinary forms of cultivation, there were in 1880 out of every 100 hectares of arable land 36 worked by the owner himself and 64 rented for working. In 1895 ownership by the cultivator sank to 31 hectares in every hundred, against 69 per cent. which were rented.

Economic inferiority of peasant property.

Let us ask now what inference is to be drawn from the facts which I have just set before you. From the point of view of distribution, Socialism (which aims at uniting in the same hands property and labour) has no fault to find with peasant property. In this case there is a wedlock of Property and Labour. The cultivator is joined to his instrument of labour—what he produces is the result of his labour; and from that all Socialists agree in saying, that there is no ground for bringing pressure to make peasant property come into the collective domain. But if Socialists are unwilling to touch peasant property—

because it is closely associated with labour, because it is fertilized by the sweat of the peasant—they note, and everybody must note, that the development of capitalism, the progress of industry, and the rise in the value of land, under the influence of towns, necessarily result in diminishing peasant property, in restricting the area of soil occupied by cultivating owners, in developing more and more cultivation by farmers who pay rent. It is capitalistic agriculture alone which furnishes sufficient capital to work the land in an intensive manner, with perfected appliances; it is it which allows agriculture to struggle against foreign competition and to become, in a word, an industry like other industries; to crush this development (supposing it were possible to do so) would be, as Pecqueur put it, to decree mediocrity all round.

Thus peasant property, equitable from the distributive point of view, is open to serious criticism from the point of view of production. And that brings me to speak of the other form of property in land—capitalistic property, worked by the cultivator no longer on his own account, but under obligation to pay a rent to the owner of the soil. We said just now that the only form of property which can appear justifiable is property founded on work. Well, who works on a great estate? Is it the owner himself? He is seldom to be seen, except perhaps in the shooting season. I see a farmer directing the business, I see agricultural labourers toiling from morning till night; these are the workers, but they are not the owners of the property. On the contrary, we remark the divorce of property and work—on the one side, a toiling rural population; on the other, town-dwellers, whose part is most often confined to pocketing the rents.

Capitalistic property.

I know that extenuating circumstances are pleaded; that according to some economists the recipient of rent for land is not a parasite, but is on the contrary the fellow-worker, the banker, even (as was said once by M. de Bruyn, the Minister for Agriculture) the "nursing father" of farmers and agricultural labourers. Possibly

Part played by land-owners.

there are exceptions of this sort, possibly there are *petits manteaux bleus* who play Providence for some farmers; but the official documents themselves, which are not suspected of Socialistic bias, violently contradict those who regard landowners as providential beings, as bankers given by nature to farmers and agricultural labourers. I will take only a few examples. This is how, in the Agricultural Investigation of 1886, which though very incomplete contains things of interest, the Governor of West Flanders expresses himself about the landowners in his province—

"All, or nearly all, live in a *dolce far niente*, ignorant of most of the elements of estate management, scarcely taking the trouble to ascertain whether their properties are cultivated in their own best interests; if their rents are paid regularly, all is well." (Question 10, p. 314.)

In this same Agricultural Investigation we could gather a series of depositions of the same sort, but I prefer—*ab uno disce omnes*—to quote to you another fact, related in an interesting pamphlet by one of the founders of the agricultural co-operative society of Borsbeke near Alost. The farmers of this village had formed themselves into a society, and had written to their landowners to ask them to take some shares. All these landowners without exception live outside the parish. There were twenty of them; only three took the trouble to answer the farmers; the rest sent no answer. One of them even sent back the circular without stamping it, so that the first expense of the society was in paying the postal charge incurred by this protector of agriculture!

There is no need for me to go on quoting facts, for you know better than any one, that in proportion as the owner of the soil ceases to be the squire living with his peasantry and becomes the monied man, the rich man of the towns, who as a rule scarcely knows where the farms that he buys are, personal relations between farmer and landlord become rarer and rarer; the parasitic function of the latter becomes more and more clearly apparent; and the position is the more open to criticism,

because normally, when a country's population and industry develop, the rent of land tends to increase, without the landowners having to do anything to increase it—the point which Henry George has well brought out in his celebrated book *Progress and Poverty* where he studies especially the phenomenon of the increase of rents in a new country like the United States. A town is founded; it requires food-products; the land gets more valuable year by year, and if you have had the luck to acquire a piece of soil, you can, as George puts it, "sit down and smoke your pipe; you can lie down like the *lazzaroni* of Naples or the *leperos* of Mexico; you can go up in a balloon or dig a hole in the earth; and without doing anything, without increasing the wealth of the community one iota, in ten years you will be rich." By the development of industrial civilization, by the growth of population, rent rises, farm-rents go up, the landowner becomes wealthy. And so it was in our old European countries until the agricultural crisis of these last years. It is interesting to carry one's self fifty years back to see how far the presentment of the agrarian question differed from that of to-day. In 1853 the Minister of the Interior remarked in the Belgian Chamber that the food requirements of the population went on growing and the dearth of cereals became greater and greater, while the increase of imports was hopelessly slow. "From 1830 to 1839," said he, "our imports of cereals (rye and wheat) averaged 41 million hectolitres a year; from 1840 to 1852 this average rose annually to 102 millions. If in the shade of peace the population of Belgium continues to grow in the same proportion, before ten years are out the shortage in our supply of cereals—I hardly dare state the figure—will be about two million hectolitres. I keep below the truth, that it may be impossible to dispute my figure." (*Ann. Parl. Chambre des Représentants*, Nov. 25, 1853.) At that time, then, the agrarian question meant the insufficient production of cereals and other food-stuffs. There was not enough bread to go round; industrial wages were not rising, or even were falling; agricultural

The rise of rents.

wages remained at a deplorably low level; but the demand for agricultural products went on increasing constantly, and the rents for farms went up, up, continually up, even during the famine in Flanders, so that at that time one certainly might have said of the Belgian landowners, what Ricardo said of landowners in general, that they formed the only class in society whose interests were opposed to those of the rest of the population.

The Agricultural crisis.

This rise of farm-rents—under the influence of the development of industry—continues till the time when the progress of the transport industry entirely alters the situation, and the competition of foreign corn imported from the United States, from India, and from Russia, effects in our rural districts ravages more terrible than the Cossack invasions, the Ganges epidemics, or the storms which come over the Atlantic. Thenceforward farm-rents fall, rent of land goes steadily down, the agricultural crisis becomes more and more painful, and soon the development of land transport begins to accentuate it still further. You know that since 1870 the Belgian Government [1] has instituted special railway rates for workmen. In 1870 industrial prosperity was in full swing. Urban manufacturers and managers of collieries were crying out for cheap labour. It was hoped that trade-union opposition would be broken down, if rural labourers were drawn in by a serious reduction in the passenger rates—such a reduction that to-day the Belgian State may be said to carry workmen for almost nothing. Have you ever had the curiosity to take up the railway guide and see what it costs a workman to travel, for instance, 50 kilometres? For a single journey there and back the ordinary traveller pays 3 francs 5 centimes, whilst a workman, for six journeys there and back with his weekly ticket, only pays 2 francs 25 centimes. He pays less, therefore, for six journeys than the ordinary traveller for a single journey. What is the result? Thousands and thousands of labourers, not finding a sufficient livelihood in the country, not having ready to hand local

Workmen's trains.

[1] The Belgian railways are State-owned and State-managed.

industries or large farms which can employ them, not finding work in winter since the introduction of threshing-machines, have acquired the habit of going every day to work in towns or industrial centres. I asked the Minister of Railways to supply me with the statistics for workmen's tickets from year to year since 1870; here are the figures which he has kindly furnished:—

Year.	Number of weekly tickets.
1870	14,223
1875	193,675
1880	335,556
1885	667,522
1890	1,018,383
1895	1,759,025
1897[1]	2,699,594

There must be further added to these figures the workmen's tickets issued by the North Belgian company, the local railways, etc.; add to that the 45,000 agricultural labourers who go off every year to work in foreign countries; and you will come to conclude that over 100,000 Belgian proletarians, while continuing to live in the country, have really become industrial proletarians, manual workers, absent during half the year. They have still a strip of land which they own, or, more frequently, rent; in the statistics they are counted as farmers. In reality they are labourers, proletarians in every sense of the term; and we have to ask, what, from the point of view of cultivation, have been the effects of such a change.

On the one hand, foreign competition comes in and lowers rentals to some extent (although in many districts the lowering of rent has not corresponded to the fall in prices), and on the other hand, the labourers go off townwards and work in industrial centres, and agricultural labour becomes increasingly rare, and, in virtue of the laws of supply and demand, increasingly dear. The results of this double phenomenon, from the point of view of culture, are strikingly apparent in the last agricultural census. But they are not the same in all districts. If, for instance, we take the province of

Changes in cultivation.

[1] In 1900 the figure reached was 4,515,214.

Luxembourg, the Ardennes district, we note that the number of tiny plots of less than 2 hectares is diminishing, and the number of large farms of over 50 hectares is diminishing no less, while that of middle-sized areas of cultivation is on the increase. What does this mean? Why do the tiny plots diminish? Because, the means of transport being little developed in Luxembourg, the labourers, instead of going off every day into the towns or industrial centres, are obliged to reside there permanently and give up their bit of land. Why do the large farms diminish? Because agricultural labourers are no longer to be had, because they are very expensive, and because these conditions render it more advantageous to subdivide cultivation and to create farms of small or moderate size, which are worked by the farmer with the help of his family. Thus industrial capitalism more and more pumps the living forces out of the country, and the result is that in certain districts cultivation by families is developing; but it is quite otherwise in districts with developed transport facilities, where labourers easily go off to the town and return home every evening. In that case the opposite phenomenon shows itself. In Hainaut, for instance, between 1889 and 1895 small and middle-sized areas diminished, whereas there was an increase of tiny plots cultivated by labourers, agricultural or industrial, and also a very marked increase of large farms (those over 50 hectares). If we now consider the country as a whole, the two censuses of 1880 and 1895 supply us with the following figures for comparison :—

	1880.	1895.
Acres of cultivation under 50 ares . .	472,471	458,120
,, ,, ,, from 50 ares to 2 hectares	238,092	176,233
,, ,, ,, ,, 2 to 10 hectares .	158,261	150,586
,, ,, ,, ,, 10 to 50 hectares .	38,169	32,065
,, ,, ,, over 50 hectares . .	3,403	3,584
	910,396	8[illegible]0,588

So there is a diminution under every head except that of large farms, of over 50 hectares. But if the statements of the Minister of Agriculture are to be trusted, this diminution is only apparent so far as concerns areas of less than two hectares: in 1880 there were included in the list very many infinitesimal plots which in 1895 were left out. Conversely, there appears to be no doubt that the number of large areas has perceptibly increased: 3,403 in 1880; 3,584 in 1895.

Thus we have reached in these last years a turning-point in our agricultural evolution. Till now, the subdivision of areas of cultivation was constantly on the increase. Belgium was becoming more and more the land of cultivation on a small, even a minute, scale. For the last fifteen years we see cultivation on the large scale gaining, and farms of over 50 hectares becoming more numerous. This seems to me to result from the fact that agriculture is coming more and more to be an industry like the other industries, which, as a rule, it is advantageous to exploit on a large scale. Certainly for all districts and all kinds of cultivation this is not the case. I readily admit that the question is infinitely more complicated when it is a matter of cultivation than when it is one of industry, properly so called. All the same, what cannot be disputed is the progressive intensification of agriculture, the development of the use of machinery—in a word, the increase of fixed capital in comparison with fluctuating (*i.e.* in comparison with capital for paying manual labour); agriculture is being industrialized; arable land is turned into pasture; we see the multiplication of agricultural industries—distilling, sugar-making, the manufacture of butter, of chicory, of syrups, etc.; and in consequence of this transformation, more and more the population of the rural districts is splitting into two quite distinct classes. You see there a growing proletariate, made up of agricultural labourers, who are the minority; industrial labourers, who go off daily to work elsewhere; and what may be called half-and-half labourers, half agricultural, half industrial, working in the

Industrialization of agriculture.

sugar factories at certain periods, harvesting at others, going to the collieries in winter, to resume work in the fields in the spring. It is just because of the development of this proletariate that we find in the country districts audiences open to our ideas and favourable to our programme.

I should like, in conclusion, to point out to you the guiding principles of this programme, apologizing for my inroads upon your attention, while keenly regretting that for lack of time I must confine myself to a few short outlines.

The Socialist programme.

Let me first summarize the considerations which I have submitted to you thus far. Peasant property seems to us inferior from the productive standpoint to capitalistic property, while from the distributive standpoint it is superior. The capitalistic evolution tends to make it disappear, but Socialism has not to aim at expropriating it. On the other hand, Socialism pronounces a decidedly adverse verdict upon capitalistic property; and in all our congresses (notably at the International Congress in London) we have agreed unanimously in demanding the collective appropriation of the land, as well as of the other means of production. But when we come to the means of realizing this ideal, the question presents itself differently in different countries. In a country like England, for instance, and above all, like Scotland, where property in land is otherwise concentrated, it is quite natural that theorists who are not even Socialists—bourgeois economists like H. George or Wallace—should demand at once the socialization, nationalization, of the land. As to the means of realizing the change, I will confine myself to outlining the solution suggested by Colins and his school. They think that there are reasons for bringing the land into collective ownership before the instruments of labour are brought, and to indemnify the capitalistic landowners they suggest a tax of 25 per cent. on collateral inheritances and testamentary successions, plus a tax (the percentage to be determined) on inheritances which

Socialism and property in land.

descend in a direct line. The percentage, of course, is immaterial to the theory: the question would need examining in the light of circumstances of time and place; all I retain at this moment is the root idea of the Colins school, which is to buy up the land with the yield from taxes on inheritance, and to let it out by auction either to individuals or to associations. The Colins system does not imply at this point any transformation of the capitalistic *régime* as a whole. Capital remains private property; only the land, the basis of all industry and all agriculture, belongs to society collectively, and the sections of it are let to individuals or associations for the profit of all, instead of, as now, for that of a few landowners. There would be only one alteration; the farmer, instead of paying rent for land to an individual, would pay it to society as a whole, and this payment would help to reduce all the burdens which weigh on the members of society. The receipt of farm and other rents by the State would correspondingly lower taxation.

Land nationalization.

According to Colins, this expropriation of the landowner should come before the expropriation of capitalists properly so-called; but most modern Socialists, and notably those of Marx's school, think this procedure a mistake. Their view is that landed property represents but a comparatively inconsiderable part of social capital as a whole. In this opinion the first steps should be taken against the great industries which are ripe for collectivism—those which already form a virtual monopoly and, in a word, realize the maximum of capitalistic concentration. Herr Kautsky, in the book which he has recently published on the agrarian question (*Die Agrarfrage*), flatly condemns the resumption of the land by the *State under a capitalist régime.* His standpoint is pre-eminently German, and he thinks that in Germany the substitution of the State for the landlords would be a permanent menace to public liberty. Evidently the same danger does not exist, or at least does not exist in the same degree, in countries with liberal or democratic institutions like Switzerland or England;

and therefore, wherever ownership is concentrated in a few hands, we see many theorists and reformers declaring for the immediate socialization of the soil and the agencies of Nature. As for the particular case of Belgium, there are at any rate some portions of the land which ought, without delay, to become the property of society. Thus, for example, many bourgeois economists themselves agree with us in recognizing that the ownership of the forests ought to belong to the State rather than to private persons. So, too, with the common lands, which many good thinkers who are not Socialists would like to see conserved, extended, and put to good use. Recently even our Minister of Agriculture has objected to the squandering of common lands, and has declared that in future the Government will no longer authorize parishes to alienate them.

Lastly, what would, from the cultivator's point of view, present very great advantages, would be the taking over of the great agricultural industries, and notably of the three which are manifestly evolving in the collectivist direction—dairying, distilling, and sugar-making.

Socialization of agricultural industries.

As for dairying, the evolution is quite marked.[1] Co-operative societies are formed, grouped, federated; recently they have founded the Dairy Association, which you all know; and it may be foreseen that we shall shortly witness the formation of a vast trust, the "Belgian Dairies," which will be organized on co-operative, instead of capitalistic foundations. If this evolution goes on in its present form, and capitalism does not get possession of the dairying industry, it will be an interesting example of spontaneous collectivism, of the socialization of industry realized

I. Dairying.

[1] In 1899 there were 298 co-operative dairies in Belgium, with 34,205 members; in 1900 the figures had risen to 356 and 40,706. In the latter year the members per society averaged 114; the sales per member, 510 francs (£20 8*s.*); the number of cows kept per member, 2·71 (showing what small cultivators the co-operators are).

by the people interested, with State advice and intervention. If it is otherwise, and capitalism gets the better of co-operative industry, we shall then be confronted by the problem of expropriation, which confronts us in the case of the sugar-factories and distilleries.

II. The sugar industry.

I need not demonstrate to you what an advantage it would be for country people to be delivered from the capitalistic monopoly, with which a small number of sugar manufacturers burden them. Further, the workers of the sugar factories will obtain the advantages which the State's employees secure. Nor can it be doubted that, from the tax-payer's point of view, it would be wholly an advantage that the profits of the sugar industry, instead of belonging to a few, should be reaped by the whole community. Perhaps it will be objected that the sugar industry's golden age is over, and that it needs, in order to hold its ground, fiscal privileges, said to be conferred on it much less on behalf of the capitalists interested than on behalf of agriculturists. But if so, it is one more reason for entrusting the guardianship of agricultural interests to the community itself, rather than to private individuals, who too often take advantage of it in order to exploit the cultivators.

III. The distilleries.

In the case of the distilleries the question becomes still more simple; for, thanks to M. de Smet de Naeyer, the position of the distilleries is such that for some months we have witnessed the extraordinary spectacle of the distillers themselves asking to be saved by being bought out. In short, for agricultural as for all other industries, the concentration of capital leads, we believe, to the need of socializing the means of production.

But while that is our ideal, and we regard collectivism as the final result, the logical outcome, of the industrial and agricultural evolution, we at the same time take our stand for immediate measures, and energetically demand that something be done to protect the agricultural labourer, who, in the society of to-day, might be called "the man whom no one

remembers." Some time after the disturbances of March, 1886, the former deputy for Waremme, the late M. Cartuyvels, said to the Chamber: "The industrial workmen obtain protection by law, and on all sides suggestions are made for measures to better their lot. Why? Because they show their teeth; because they protest; because they organize. But what has been done for the agricultural labourers? Nothing." These words, which were only too true fifteen years ago, may be said again to-day. We have in the Chamber an agricultural group which energetically defends the interests of the large farmers and the land-owners. As a rule, the Conservatives neglect the interests of the agricultural labourers; but it is they to whom the Socialists before all appeal, and whom they especially aspire to win over. I know that among these workers, bowed beneath the weight of immemorial domination, propaganda will be difficult. They are not like the industrial workman, the proletarian completely sundered from the instruments with which he works, robbed of the prospect of ever getting a share in the ownership of the means of production, condemned to remain a proletarian for ever, and for that very reason making his ideal, not the acquisition of private property, but the conquest of social property. On the contrary, in the agricultural labourer there are, so to say, two contradictory spirits: the spirit of the small peasant who has still his plot of land, owned or rented, and the spirit of the proletarian working on a capitalist's account. The first makes him a Conservative, inclined to religion and resignation; the second makes him accessible to Socialism; and the latter only overcomes the former in so far as capitalism overcomes the primitive forms of ownership and cultivation.

Protection of agricultural labourers.

The driving force in this transformation is the development of industry. It is industry which has caused the common land to disappear, which has killed by its competition the small industries of the home and the farm, which has provoked the agricultural crisis

Revolution effected by industry.

by flooding our markets with foreign corn, which has drawn off to the town (the "cuttle-fish town") the great mass of rural labourers; but it is industry also which is rationalizing agriculture, perfecting its methods—in short, revolutionizing agricultural technique. Bebel once said, "Wherever a factory chimney rises, there you see Socialists being made." In the same way wherever agricultural capitalism develops and splits the population of the countrysides into two classes, Socialism follows capitalism like a shadow, and wins over, not only this rural proletariate which bears the whole weight of our present society on its shoulders, but also the small cultivators and land-owners, whose position is often more wretched than that of the labourers themselves. And lastly, just as industrial Socialism has won over individuals in the bourgeois class who had no personal interest in fighting the people's battle, so we strongly hope that agricultural Socialism will enter the heads of many large farmers, who will understand that parasitic ownership must disappear and they themselves be set free when their labourers are.

XVI

SOCIALISM AND AGRICULTURE AS OFFICIALLY REGARDED BY THE GERMAN SOCIAL DEMOCRATIC PARTY

Resolution adopted by the Frankfort Congress (1894) on the Agrarian Question

This resolution was moved by G. von Vollmar and Dr. Bruno Schoenlank. Its notable feature is its idea that Socialism should take sides with the peasant proprietor against the forces crushing him.

The agrarian question is the product of the modern economic system. The more home agriculture becomes dependent on the world-market and the international competition of all agricultural countries, the more it enters the sphere of influence of capitalistic production of commodities, banking, and usury, the more quickly is the agrarian question aggravated into the agrarian crisis.

In Prussian Germany the agricultural employing class, which is not distinct in essence from the great industrial capitalists, fights by the side of the rural nobility. This nobility is only maintained artificially by bounties, protective duties, rebates on exports, and privileges in respect of taxation. In spite of all, the Junker-farming[1] east of the Elbe is largely over-

[1] The Junkers are the Prussian squirearchy, who owe their disproportionate political influence to the fact that they supply the Prussian army with its officers.

indebted through bad agriculture, partition of inheritances, and arrears of purchase-money, and its doom is sealed.

To this must be added the constantly accentuated cleavage between the great landowners and the class of small peasants. The latter is tottering, burdened with military service and heavy taxes, hampered by mortgages and personal debts, and oppressed on all sides. For it protective duties are only an empty show. This fiscal policy cramps the purchasing power of the labouring class, and restricts the peasant's market. The peasant is becoming proletarized.

On the other hand, the class opposition between rural employers and rural workers is developed more and more clearly. From this has resulted a rural working-class. It is bound by feudal laws, which deny to its members the right of combination, and place them under the "Ordinance of Servants," while they no longer enjoy the old patriarchal relations, which gave them, as belonging to their masters, a definitely assured existence. The intermediate classes, day-labourers with small holdings, dwarf peasants who are driven to wage-earning to supplement their resources, sink, in spite of all apparent reforms, into the class of the rural proletariate. With uncertainty of gain, wage-pressure and bad management, and the increase of travelling labourers, the cleavage between landed capital and rural labour grows; and the class-consciousness of the rural worker awakens.

Hence the great need that the Social Democracy shall occupy itself in the most serious manner with the agrarian question. The preliminary for this is a detailed knowledge of the agricultural situation. As in Germany this varies—technically, economically, and socially, our propaganda must match it and be varied to suit the peculiarities of the country people.

The agrarian question, as a necessary ingredient of the social question, will only be finally solved when the land, with all the means of work, is given back to the producers, who now as wage-workers or small peasantry cultivate it in the service of capitalists. But at present the necessitous condition of the

rural worker must be alleviated by fundamental reforms. The immediate object of the party is to formulate a special programme of agrarian policy, explaining and completing the immediate demands of the Erfurt Programme, which are very advantageous for the peasants as well as for the country labourers, in an exposition adapted to the comprehension of the rural population.

The law protecting peasants ought to safeguard the peasant, whether as taxpayer, debtor, or agriculturist.

The law protecting rural labourers should afford the rural labourer the right of combination and of public meeting; should place him on a level with the industrial workers (removal of the Ordinance of Servants); and by special protective social legislation (as to work-time, conditions of work and inspectorates) should safeguard him from unbridled exploitation.

A special Agrarian Committee is to lay its proposals before the next Congress.

The Committee appointed was a very strong and representative one. It divided Germany into three areas, and itself into three sub-committees, who drew up for the Breslau Congress (1895) the following three draft programmes :—

Draft Programme of the Sub-committee for North Germany.

The sub-committee consisted of Bebel, Liebknecht, Molkenbuhr, Schippel, and Schoenlank; the area which they considered was that east of the Elbe.

1. Organization by the (Imperial) State of loans on mortgage. Interest on loans to cover costs only.

2. Organization by the (Imperial) State of the insurance of movable and immovable property against fire, hail, or floods, and the insurance of cattle.

3. Construction and maintenance of public streets, roads, and watercourses by the (Imperial) State.

4. The maintenance of common property (common lands), and common rights over water, woods, and pasture.

5. Transformation of property in mortmain, of lands belonging to institutions and churches, into public property. Abolition of fideicommissa.

6. Founding of compulsory co-operative societies for improvements, irrigation, and draining; and support of these co-operative societies by State loans.

7. The establishment of public technical agricultural schools and experimental stations, and the holding of regular lectures upon agriculture. Teaching, school appliances, and maintenance free.

8. Lowering of the rates for personal and goods traffic.

9. Transference to the public of all private forests. Free sporting rights on lands owned or rented. Full compensation for all damages done in hunting and by game.

10. Chambers of Agriculture, where all persons engaged in agriculture shall be on an equal footing.

11. Agricultural arbitration courts for the settlement of all disputes arising out of conditions of wages, work, or service.

12. Compulsory insurance against sickness of workmen and servants, and also of independent cultivators whose income does not exceed 2000 marks (£100).

13. Veterinary attendance and medicines without charge.

Draft Programme of the Sub-committee for Central Germany.

The sub-committee was composed of Bock, Hug, Katzenstein, Schulze, and Dr. Quarck. The area examined included Saxony, Thuringia, Oldenburg, Brunswick, Westphalia, and Hanover.

After the concluding section of the Erfurt Programme the following is to be added:—

In the interest of the small peasants and rural labourers, as well as to preserve and develop agricultural production:

1. Retention and increase of public property in land (every kind of State and communal property—municipal lands, commons, common forest, etc.) under control of the popularly elected bodies; abolition of all laws and ordinances promoting sub-division and alienation; communes to be given a right of pre-emption in respect of the lands of bankrupts sold by auction.

2. Farming of their domains by the State and communes on their own account; or lease of them to co-operative associations of agricultural labourers or peasants farming personally, under State and communal inspection; clearing and improvement of domains; creation of irrigation works; encouragement of forestry, tillage, horticulture, and grass culture; improvement of cattle; care of water-supply and rural transport; establishment and support of agricultural colleges; compulsory continuation schools, and model farms, with instruction and materials provided free of charge by the State or the communes.

3. Nationalization of mortgages and landed debts.

4. Nationalization of every branch of agricultural insurance; maximum extension of this to all branches of work; gratuitous veterinary service; and State grants to those impoverished by devastating natural occurrences.

5. Maintenance and extension of the existing rights of forestry and turbary, to be equally shared by all members of a commune; right of purchasing leafage, firewood, and timber from State and communal woods at fixed prices; prevention of or, as the case may be, full compensation for damage done by game; sport to be free, and harmful animals to be exterminated.

6. Restriction and gradual abolition of the dependence of farm produce upon middlemen, by support of the co-operative system and purchase of produce needed for public purposes, by preference from the producers.

7. Removal of the land-tax.

8. Right of the tenant farmer, if the net yield persistently

deteriorates, or severe natural damages are incurred, to demand the reduction of his rent by an agricultural arbitration court.

9. Extension of legislation protecting workmen, and the right of combination, to agriculture; State supervision of all agricultural businesses; rural arbitration courts; investigation and regulation of rural conditions of employment and work by an imperial Agricultural Department, district agricultural bureaux, and chambers of agriculture.

10. Abolition of all public privileges connected with private possession of land, and suppression of property-districts.

Draft Programme of the Sub-committee for South Germany.

The sub-committee consisted of Bassler, Birk, Eduard David, Geck, and Von Vollmar; the area which it examined included Baden, Bavaria, the Palatinate, and Würtemberg.

In regard to the agrarian question, the Social Democratic party of Germany makes the following immediate demands:—

1. Systematic organization of national food-supply by the State, which is progressively to increase its influence over agricultural production and the marketing of its produce.

2. Prohibition of the sale of public property in land (belonging to communes, corporations, or the State).

3. Owners of giant properties (*latifundia*) to be expropriated; the larger estates to be subject to the rules of the law protecting industrial workers, as well as to the State-inspection of its machinery and working.

4. Abolition of all magisterial functions connected with landed property and other privileges, such as independent property districts, privileges on representative bodies, patronage, *fidei-commissa*, etc.

5. Progressive nationalization of debts secured on land, and the whole credit system, with a lowering of the rate of

interest. The State to acquire rights over agricultural products. Peasant properties sold by auction on bankruptcy to be purchased up to the limit of their appraised value by the communes; the procedure may be proposed by the debtor himself, to whom, if solvent, the land may be leased.

6. Agricultural land owned by the State to be applied to the establishment of model farms, to the enlargement of the property of communes, and also to the leasing of land at its economic rent to lessees cultivating it personally. Such allotments are to be calculated to provide the cultivator's family with their entire subsistence.

7. Establishment of extensive agricultural colleges in connection with the model farms, for gratuitous technical education.

8. State loans to be given to communes to purchase and manage estates of tenure, to reclaim wastes, to improve the soil, the breed of cattle, and all other branches of farming, and to encourage co-operation under State inspection.

9. Purchase of the agricultural products required for the provisioning of public institutions, of suitable quality, direct from the producers.

10. Regulation of private contracts of tenancy, according to the value of the yield from time to time, and compensation for outlay incurred by tenant farmers for the improvement of the soil.

11. Nationalization of every branch of agricultural insurance, and State intervention in cases of impoverishment through devastating natural occurrences.

12. Uncurtailed maintenance of existing rights over forests and heaths. Prevention of, or, as the case may be, full compensation for damage done by game.

13. Complete legal equalization of agricultural labourers with industrial wage-workers. Settlement of all disputes arising out of conditions of work by arbitration courts, to be composed in equal parts of workers and employers.

14. Bureaux and Chambers of Agriculture, in which proprietors, tenants, and workers participate on an equal footing,

to investigate and regulate conditions of work, wages, tenancy, and industry, and to represent all professional interests.

All these draft programmes, but especially the South German one inspired by Von Vollmar, encountered extreme opposition as soon as they were published, because of their attempt to prop the small independent cultivators. At the Breslau Congress every compromise or modification of this idea was rejected, and the following resolution, moved by Kautsky, became the official expression of the party's attitude.

The draft Agrarian Programme proposed by the Agrarian Commission is to be rejected, because it sets before the eyes of the peasantry the improvement of their position, that is, the confirmation of their private ownership; it proclaims the interest of agriculture in the modern social system to be an interest of the proletariate; and yet the interest of agriculture, like that of industry, is, under the rule of private property in the means of production, an interest of the possessor of the means of production, who exploits the proletariate. Further, the draft Agrarian Programme suggests new weapons for the State of the exploiting class, and thereby renders the class-war of the proletariate more difficult; and, lastly, it sets before the capitalistic State objects which can only be usefully carried out by a State in which the proletariate has captured political power.

The Congress recognizes that agriculture has its peculiar laws, differing from those of industry, which must be studied and considered if the Social Democracy is to develop an extended operation in rural districts. It therefore suggests to the Committee of the party that, having regard to the impetus already given by the Agrarian Committee, it might entrust a number of suitable persons with the task of undertaking a fundamental study of the matter available concerning German agrarian conditions, and publishing the results of this study in a series of articles as a "Collection of works on agrarian policy by the Social Democratic party of Germany."

The Committee of the party is fully empowered to make

the necessary expenditure to enable the comrades entrusted with the work in question to complete their task.[1]

[1] Little has since been done officially ; but two important works have appeared, Kautsky's *Die Agrarfrage* (1898), against peasant proprietorship, and Dr. Eduard David's *Socialismus und Landwirthschaft* (1903), in favour of it. Both writers have kept up, with others, a considerable debate in the party's journals.

XVII

THE FREE TRADE CONTROVERSY IN RELATION TO INDUSTRIAL PARASITISM AND THE POLICY OF A NATIONAL MINIMUM

By Sidney and Beatrice Webb

This striking dissertation appeared as an appendix to Mr. and Mrs. Webb's *Industrial Democracy* (1897). For the subject, cp. Introduction, pp. xxix–xxxi; and for the authors, cp. *supra,* p. 90.

The existence of parasitic trades supplies the critic of international Free Trade with an argument which has not yet been adequately met. To the enlightened patriot, ambitious for the utmost possible development of his country, it has always seemed a drawback to Free Trade, that it tended, to a greater or lesser extent, to limit his fellow-countrymen's choice of occupation. Thus, one community, possessing great mineral wealth, might presently find a large proportion of its population driven underground; another might see itself doomed to become the mere stock-yard and slaughter-house of the world; whilst the destiny of a third might be to have its countryside depopulated, and the bulk of its citizens engaged in the manufacture, in the slum tenements of great cities, of cheap boots and ready-made clothing for the whole habitable globe. To this contention the answer has usually been that the specialization of national function, whilst never likely to be carried to an extreme, was economically advantageous all round. Such a reply ignores the possibility of industrial parasitism. If

unfettered freedom of trade ensured that each nation would retain the industry in which its efficiency was highest, and its potentialities were greatest, this international "division of labour" might be accepted as the price to be paid for getting every commodity with the minimum of labour. But under unfettered freedom of competition there is, as we have seen, no such guarantee. Within a trade, one district may drive all the rest out of the business, not by reason of any genuine advantage in productive efficiency, but merely because the workers in the successful district get some aid from the rates or from other sources. Within a community, too, unless care be taken to prevent any kind of parasitism, one trade or one process may flourish and expand at the expense of all the rest, not because it is favoured by natural advantages or acquired capacity, but merely by reason of some sort of "bounty." Under Free Trade the international pressure for cheapness is always tending to select, as the speciality of each nation in the world-market, those of its industries in which the employers can produce most cheaply. If each trade were self-supporting, the increased efficiency of the regulated trades would bring these easily to the top, notwithstanding (or rather, in consequence of) the relatively high wages, short hours, and good sanitary conditions enjoyed by their operatives. If, however, the employers in some trades can obtain labour partially subsisted from other sources, or if they are free to use up in their service not only the daily renewed energy, but also the capital value of successive relays of deteriorating workers, they may well be able to export more cheaply than the self-supporting trades, to the detriment of these, and of the community itself. And this, as we have seen, is the direct result of the very freedom of Individual Bargaining on which the Free Traders rely. Indeed, if we follow out to its logical conclusion the panacea of unlimited freedom of competitive industry both within the country and without, we arrive at a state of things in which, out of all the various trades that each community pursues, those might be "selected" for indefinite expansion,

and for the supply of the world-market, in which the employers enjoyed the advantage of the greatest bounty; those, for instance, which were carried on by operatives assisted from other classes, or, still worse, those supplied with successive relays of necessitous wage-earners standing at such a disadvantage in the sale of their labour that they obtained in return wages so low and conditions so bad as to be positively insufficient to maintain them permanently in health and efficiency. Instead of a world in which each community devoted itself to what it could do best, we should get, with the "sweated trades," a world in which each community did that which reduced its people to the lowest degradation. Hence the Protectionist is right when he asserts that, assuming unfettered individual competition within each community, international free trade may easily tend, not to a good, but to an exceedingly vicious international division of labour.

This criticism is not dealt with, so far as we are aware, in any of the publications of the Cobden Club, nor by the economic defenders of the Free Trade position. Thus Professor Bastable, in his lucid exposition of *The Theory of International Trade* (2nd edition, London, 1897), assumes throughout that the prices of commodities in the home market, and thus their relative export, will vary according to the actual "cost of production," instead of merely according to their "expenses of production," to the capitalist entrepreneur. Yet it is evidently not the sum of human efforts and sacrifices involved in the production that affects the import or export trade, but simply the expenses that production involves to the capitalist. This absence of any reference to the possibility of the cheapness being due to underpaid (because subsidised or deteriorating) labour, enables Professor Bastable optimistically to infer (p. 18) that "the rule is that each nation exports those commodities for the production of which it is specially suited." Similarly Lord Farrer, in *The State in its Relation to Trade* (London, 1883), when stating the argument against Protection, simply assumes (p. 134) that the industry for which the country

is specially suited pays higher wages than others. "One thing is certain, viz. that we cannot buy the French or Swiss ribbons without making and selling something which we can make better and cheaper than ribbons, and which *consequently* brings more profit to our manufacturer, *and better wages to our workmen*." And Mr. B. R. Wise, seeking in his *Industrial Freedom* to revise and restate the Free Trade argument in the light of practical experience, is driven to warn his readers that "it cannot be too often repeated that the competition of abstract political economy—that competition through which alone political economy has any pretension to the character of a science—is a competition between equal units," . . . and nothing could be further from the truth than to suppose that "free competition" in the labour market bore any resemblance to the competition between equal units that the current expositions of Free Trade theory required.[1]

But though the existence of parasitic trades knocks the bottom out of the argument for *laisser faire*, it adds no weight to the case for a protective tariff. What the protectionist is concerned about is the contraction of some of his country's industries; the evil revealed by our analysis is the expansion of certain others. The advocate of a protective tariff aims at excluding imports; the opponent of "sweating," on the other hand, sees with regret the rapid growth of particular exports, which imply the extension within the country of its most highly subsidised or most parasitic industries. Hence, whatever ingenious arguments may be found in favour of a protective tariff,[2] such a remedy fails altogether to cope with this

[1] B. R. Wise, *Industrial Freedom* (London, 1882), pp. 13, 15.

[2] For any adequate presentment of the case against international free trade, the student must turn to Germany or the United States, notably to Friedrich List, *The National System of Political Economy*, published in Germany in 1841, and translated by Sampson Lloyd (London, 1885) and the works of H. C. Carey. The arguments of List and Carey were popularised in America by such writers as Professor R. E. Thompson, *Political Economy with Especial Reference to the Industrial History of Nations* (Philadelphia, 1882); H. M. Hoyt, *Protection and Free Trade*

particular evil. If the expansion of the industries which England pursues to the greatest economic advantage—say, for instance, coal mining and shipbuilding, textile manufacture and machine-making—is being checked, this is not because coal and ships, textiles and machinery are being imported into England from abroad, but because other less advantageous industries, within England itself, by reason of being favoured with some kind of bounty, have secured the use of some of the nation's brains and capital, and some of its export trade. This diversion would clearly not be counteracted by putting an import duty on the small and exceptional amounts of coal and shipping, textiles and machinery that we actually import, for this would leave unchecked the expansion of the subsidised trades, which if the subsidy were only large enough, might go on absorbing more and more of the nation's brains and capital, and more and more of its export trade. To put it concretely, England might find its manufactures and its exports composed, in increasing proportions, of slop clothing, cheap furniture and knives, and the whole range of products of the sweated trades, to the detriment of its present staple industries of cotton and coal, ships and machinery. In the same way, every other country might find its own manufactures and its own exports increasingly made up of the products of its own parasitic trades. In short, the absolute exclusion by each country of the imports competing with its own products would not, any more than Free Trade itself, prevent the expansion within the country of those industries which afforded to its wage-earners the worst conditions of employment.[1]

the Scientific Validity and Economic Operation of Defensive Duties in the United States, 3rd edition (New York, 1886); whilst another line has been taken by Francis Bowen, *American Political Economy*. The whole position has been restated by Professor Patten, in *The Economic Basis of Protection* (Philadelphia, 1890), and other suggestive works which deserve more attention in England.

[1] It is unnecessary to notice the despairing suggestion that a protective duty should be placed on the products of the sweated trades themselves. But these, as we have seen (if they are really parasitic industries like the

A dim inkling of this result of international competition is at the back of recent proposals for the international application of the Device of the Common Rule. During the past seven years statesmen have begun to feel their way towards an international uniformity of factory legislation, so as to make all cotton mills, for instance, work identical hours, and workmen are aspiring to an international Trade Unionism, by means of which, for example, the coalminers, cotton-operatives, glass-workers, or dock-labourers of the world might simultaneously move for better conditions. If, indeed, we could arrive at an International Minimum of education and sanitation, leisure and wages, below which no country would permit any section of its manual workers to be employed *in any trade whatsoever*, industrial parasitism would be a thing of the past. But internationalism of this sort—a "zollverein based on a universal Factory Act and Fair Wages clause"—is obviously Utopian. What is not so generally understood, either by statesmen or by Trade Unionists, is that international uniformity of conditions *within a particular trade*, which is all that is ever contemplated, would do little or nothing to remedy the evil of industrial parasitism. In this matter, as in others, a man's worst foes are those of his own household. Let us imagine, for instance, that, by an international Factory Act, all the cotton mills in the world were placed upon a uniform basis of hours and child-labour, sanitation, and precautions against accidents. Let us carry the uniformity even a stage further, and imagine what is impossible, an international uniformity of wage in all cotton mills. All this would in no way prevent a

wholesale clothing manufacture, and not merely self-supporting but unprogressive industries like English agriculture), will usually be exporting trades, not subject to the competition of foreign imports. Merely to put an import duty on the odds and ends of foreign-made clothing or cheap knives that England imports would in no way strengthen the strategic position, as against the employer, of the sweated outworkers of East London or Sheffield, or render the respectable young women of Leeds less eager to be taken on at a pocket-money wage in the well-appointed clothing factories of that city.

diversion of the nation's brains and capital away from cotton manufacture to some other industry, in which, *by reason of a subsidy or bounty*, the employer stood at a greater relative advantage towards the home or foreign consumer. The country having the greatest natural advantages and technical capacity for cotton manufacture would doubtless satisfy the great bulk of the world's demand for cotton goods. But, if there existed within that same country any trades carried on by parasitic labour, or assisted by any kind of bounty, it would obtain less of the cotton trade of the world than would otherwise be the case; the marginal business in cotton would tend to be abandoned to the next most efficient country, in order that some brains and capital might, to the economic loss of the nation and of the world, take advantage of the subsidy or bounty.[1] We see, therefore, that even an international uniformity of conditions within a particular trade would not, in face of industrial parasitism at home, prevent the advantageously situated country from losing a portion of this uniformly regulated trade. The parasitic trades have, in fact, upon the international distribution of industry, an effect strictly analogous to that which they have upon the home trade. By ceding as a bribe to the consumer the bounty or subsidy which they receive, they cause the capital, brains, and labour of the world to be distributed, in the aggregate, in a less productive way than would otherwise have been the case.

We can now see that the economists of the middle of the century only taught, and the Free Trade statesmen only learnt, one-half of their lesson. They were so much taken up with the idea of removing the fiscal barriers between nations that they failed to follow up the other part of their own conception, the desirability of getting rid of bounties of every kind. M'Culloch and Nassau Senior, Cobden and Bright, realized clearly enough that the grant of money aid to a

[1] This hypothetical case is, we believe, not unlike the actual condition of the cotton manufacture in the United Kingdom at the present time, in spite of the absence of international uniformity.

particular industry out of the rates or taxes enabled that industry to secure more of the nation's brains and capital, and more of the world's trade, than was economically advantageous. They even understood that the use of unpaid slave labour constituted just such a bounty as a rate in aid of wages. But they never clearly recognized that the employment of children, the overwork of women, or the payment of wages insufficient for the maintenance of the operative in full industrial efficiency stood, economically, on the same footing. If the object of "Free Trade" is to promote such a distribution of capital, brains, and labour among countries and among industries, as will result in the greatest possible production, with the least expenditure of human efforts and sacrifices, the factory legislation of Robert Owen and Lord Shaftesbury formed as indispensable a part of the Free Trade movement as the tariff reforms of Cobden and Bright. "During that period," wrote the Duke of Argyll of the nineteenth century,[1] "two great discoveries have been made in the Science of Government: the one is the immense advantage of abolishing restrictions upon Trade; the other is the absolute necessity of imposing restrictions on labour. . . . And so the Factory Acts, instead of being excused as exceptional, and pleaded for as justified only under extraordinary conditions, ought to be recognized as in truth the first legislative recognition of a great Natural Law, quite as important as Freedom of Trade, and which, like this last, was yet destined to claim for itself wider and wider application."

Seen in this light, the proposal for the systematic enforcement, throughout each country, of its own National Minimum of education, sanitation, leisure, and wages, becomes a necessary completion of the Free Trade policy. Only by enforcing such a minimum on all its industries can a nation prevent the evil expansion of its parasitic trades being enormously aggravated by its international trade. And there is no advantage in this National Minimum being identical or uniform throughout

[1] *The Reign of Law* (London, 1867), pp. 367, 399.

the world. Paradoxical as it may seem to the practical man, a country enforcing a relatively high National Minimum would not lose its export trade to other countries having lower conditions, any more, indeed, than a country in which a high Standard of Life spontaneously exists, loses its trade to others in which a standard is lower. If the relatively high National Minimum caused a proportionate increase in the productive efficiency of the community, it would obviously positively strengthen its command of the world market. But even if the level of the National Minimum were, by democratic pressure, forced up further or more rapidly than was compensated for by an equivalent increase in national efficiency, so that the expenses of production to the capitalist employer became actually higher than those in other countries, this would not stop (or even restrict the total of) our exports. "General low wages," emphatically declare the economists, "never caused any country to undersell its rivals, nor did general high wages ever hinder it from doing so."[1] So long as we continued to desire foreign products, and therefore to import them in undiminished quantity, enough exports would continue to be sent abroad to discharge our international indebtedness. We should, it is true, not get our tea and foodstuffs, or whatever else we imported, so cheaply as we now do; the consumer of foreign goods would find, indeed, that these had risen in price, just as English goods had. If we ignore the intervention of currency, and imagine foreign trade to be actually conducted, as it is virtually, by a system of barter, we shall understand both this rise of price of foreign goods, and the continued export of English goods, even when they are all dearer than the corresponding foreign products. For the English importing firms, having somehow to discharge their international indebtedness, and finding no English products which they can export at a profit, will be driven to export some even at a loss—a loss which, like the item of freight or any

[1] J. S. Mill, *Principles of Political Economy*, Book III. chap. xxv. § 4, p. 414 of 1865 edition.

other expense of carrying on their business, they will add to the price charged to the consumer of foreign imports. They will, of course, select for export those English products on which the loss is least—that is to say, those in which England stands at relatively the greatest advantage, or, what comes to the same thing, the least disadvantage. Therefore, if the rise in the expense of English production were uniform, not only the total, but also the distribution of our exports would remain unaffected. The foreign consumer, by reason of the cheapness of production of his own goods, will then be getting English-made goods at a lower price than would otherwise be the case—it may be, even a lower price than the Englishman is buying them at in his own country—just as the Englishman at the present time buys American products in London at the comparatively low level of English prices, and sometimes actually cheaper than they are sold at in New York. For this process of exporting at an apparent loss, as a set-off against a profitable import trade, actually takes place, now in one country, now in another.[1] It sometimes happens that the same firm of merchants both exports and imports: more usually, however, the compensatory process is performed through the banking houses, and manifests itself in those fluctuations of the foreign exchanges, which, though clear enough to the eye of the practical financier and economist, shroud all the processes of international exchange from the ordinary man by a dense veil of paradox.

The practical check to a rise in the National Minimum comes, indeed, not from the side of international trade, but, as we have already explained, from the home taxpayer and the home consumer. Every rise in the National Minimum not compensated for by some corresponding increase in the efficiency with which the national industry was carried on

[1] When, for instance, the export of gold is prohibited, or when all the gold has already been sent away; or when, for any reason, less expensive ways of discharging a balance of indebtedness do not exist.—See Goschen's *Theory of the Foreign Exchanges*, or Clare's *A.B:C. of the Foreign Exchanges*.

would imply an increase in the number of the unemployable, and thus in the Poor Rate or other provision for their maintenance; and every increase in the expenses of production would be resented as a rise in the price by the bulk of the population. The lowlier grades of labour, employing a majority of the citizens, would clearly benefit by the improvement which the rise would cause in their own conditions. Other grades of producers, including the brain-working directors of industry, would find their own "rent" of specialised or otherwise exceptional faculty undiminished, even if they had to pay away more of it in taxes and higher prices. The great and growing army of officials on fixed incomes would loudly complain of the increased cost of living, which would presently be met by a rise in salaries. But the real sufferers would be the *rentier* class, existing unproductively on their investments. These persons would be hit both ways: they would find themselves, by increased taxation, saddled with most of the cost of the unemployable, and by higher prices, charged with at least their share of the increase in the nation's wage-bill. Such a practical diminution in the net income of the dividend-receiving classes would, from Ricardo down to Cairnes, have been supposed to correct itself by a falling off in their rate of saving, and therefore, as it was supposed, in the rate of accumulation of additional capital. This, as we have seen, can no longer be predicted, even if we cannot yet bring ourselves to believe, with Sir Josiah Child and Adam Smith, that the shrinking of incomes from investments would actually quicken production and stimulate increased accumulation. What it might conceivably do would be to drive the *rentier* class to live increasingly abroad, with indirect consequences which have to be considered.

We have hitherto left on one side the possible migration of capital from a country, in which the National Minimum had been unduly raised, to others in which labour could be hired more cheaply. This is hindered, to an extent which we do not think is sufficiently appreciated, by the superior amenity

of English life to the able business man. So long as our captains of industry prefer to live in England, go abroad with reluctance even for high salaries, and return to their own country as soon as they possibly can, it will pay the owners of capital to employ it where this high business talent is found. The danger to English industrial supremacy would seem to us, therefore, to lie in any diminution of the attractiveness of life in England to the able brain-working Englishman. An increase in the taxation of this class, or a rise in the price of the commodities they consume, is not of great moment, provided that facilities exist for them to make adequate incomes; and these rewards of exceptional talent are, it will be remembered, in no way diminished by the Device of the Common Rule. But any loss of public consideration, or any migration of their *rentier* friends or relations, might conceivably weaken their tie to England, and might, therefore, need to be counteracted by some increase in their amenities or rewards.[1] Our own opinion is that this increased amenity, and also this increased reward of exceptional ability, would actually be the result of a high National Minimum. It is difficult for the Englishman of to-day to form any adequate idea of how much pleasanter English life would be if we were, once for all, rid of the slum and sweating den, and no class of workers found itself condemned to grinding poverty; if science had so transformed our unhealthy trades that no section of the population suffered unnecessarily from accident or disease; and if every grade of citizens was rapidly rising in health, intelligence, and character.

It follows that each community is economically free, without fear of losing its foreign trade, to fix its own National Minimum, according to its own ideas of what is desirable, its own stage of industrial development, and its own customs of life. The course and extent of International trade—if we

[1] It would be interesting to inquire how far the fatal "absenteeism" of Ireland's men of genius has been caused or increased by the reduction of Dublin from the position of a wealthy and intellectual capital to that of a second-rate provincial town.

imagine all fiscal barriers to be removed, and all bounties to be prevented—is, in fact, determined exclusively by the desires of the world of consumers, and the actual faculties and opportunities of the producers in the different countries; not by the proportion in which each nation chooses to share its National Dividend between producers and property-owners. Each community may, therefore, work out its own salvation in the way it thinks best. The nation eager for progress, constantly raising its National Minimum, will increase in productive efficiency, and steadily rise in health and wealth. But it will not thereby interfere with the course chosen by others. The country which honours Individual Bargaining may reject all regulation whatsoever, and let trade after trade become parasitic; but it will not, by its settling down into degradation, gain any aggregate increase in international trade, or really undermine its rivals.[1] Finally, the nation which prefers to be unprogressive, but which yet keeps all its industries self-supporting, may, if circumstances permit its stagnation, retain its customary organization, and yet continue to enjoy the same share in international commerce that it formerly possessed.

[1] Let us suppose, for instance, that the capitalists of the United States so far strengthen their position as to put down all combinations of the wage-earners, annul all attempts at factory legislation, and, in fact, prohibit every restriction on Individual Bargaining as a violation of the Constitution. The result would doubtless be a proletarian revolution. But assuming this not to occur, or to be suppressed, and the rule of the Trusts to be unchecked, we should expect to see the conditions of employment in each trade fall to subsistence level, and with the advance of population, stimulated by this hopeless poverty, even below the standard necessary for continued efficiency. The entire continent of America might thus become parasitic, and successive generations of capitalists, served by a hierarchy of brain-working agents, might use up for their profit successive generations of degenerated manual toilers, until these were reduced to the level of civilization of the French peasants described by La Bruyére. But the total international trade of America would not be thereby increased; on the contrary, it would certainly be diminished as the faculties of the nation declined.

XVIII

THE ECONOMICS OF DIRECT EMPLOYMENT

By the Fabian Society

This is Fabian Tract, No. 84, the basis of which was a paper read at the British Association's Oxford meeting, 1894, by Mr. Sidney Webb. It includes an account of the Fair Wages policy, which is possibly the greatest success achieved by the Fabian method.

During the last twelve years there has gradually been developed, among the various Town and County Councils and other public authorities, a definite economic policy with regard to the employment of labour. This policy, initiated by the School Board for London in January, 1889,[1] has been adopted, to a greater or lesser degree, by several hundred local governing bodies throughout the United Kingdom. It has, perhaps, been most completely carried out by the London County Council, where it has been successfully maintained for over ten years, and where it has lately been endorsed and confirmed by a decisive majority at the election of 1898.

The Labour Policy of the London County Council.

The Labour Policy of the London County Council has been intelligently criticized, from the point of view of economic

[1] The London School Board was, in January, 1889, the first public body to adopt the principle of insisting that not less than the recognized standard rates of wages should be paid. See *The History of Trade Unionism*, and also *Industrial Democracy*, by Sidney and Beatrice Webb.

science, mainly under three heads. Instead of "buying its labour in the cheapest market," as it was termed, it has, from the first, striven to adopt as its standard, the trade-union rate of wages, and to assert a "moral minimum" of earnings below which it was inexpedient that any London citizen should be allowed to sink. Moreover, not content with proceeding on these lines as regards the workmen whom it directly employs, it has sought throughout to secure that all contractors executing its work should adopt the same principle. Finally, it has endeavoured, wherever possible, to dispense with the middleman *entrepreneur*, and to substitute salaried supervision and management directly under public control.

The Fair Wages Movement.

Let us take first what is known as the Fair Wages Movement. After prolonged discussions, repeated at intervals during nine years, it has become the settled policy, (*a*) to pay, in each trade, the recognized standard rate of wages, (*b*) to give no adult male workman less than 6d. per hour, and no adult woman less than 18*s*. per week.[1] Those unfamiliar with the actual practice of industrial life at first imagined that the trade-union rate of wages meant just whatever rate the trade-union might choose to claim. As a matter of fact, the trade-union rate of wages is, in every organized trade, a well-understood expression, denoting the actual rate which has been agreed to, more or less explicitly, by representative employers and the trade-union executives. What the Council has done has been merely to insert in its own standard list of wages the rate proved, on inquiry, to be actually recognized and adopted by the leading employers in the particular trade

[1] "The Standing Orders of the L.C.C.," containing the Fair Wages Clauses, is sold at 1*s*. by P. S. King & Son, Great Smith Street, Westminster. For other places see House of Commons Return, "Urban Sanitary Districts (Conditions of Contracts)," No. 47, 11th February, 1898; 2½*d*. (P. S. King & Son.)

within the London district. In the whole of the building trades, for instance, which include seven-eighths of the work done for the Council, the trade-union rate of wages has been solemnly agreed to in a formal treaty between the London Building Trades Federation and the London Master Builders' Association. So far as the organized skilled trades are concerned, the Council has not attempted to do more than place itself on a line with the common average of decent employers.

With regard to unskilled labour, the case is more difficult. Here, in most cases, no generally recognized trade-union rate exists. The Council has accordingly taken the position that it is undesirable, whatever the competition, that any of its employees should receive less than the minimum required for efficient and decent existence. Seeing that Mr. Charles Booth places the actual "poverty line" in London at regular earnings of 21*s.* per week, it cannot be said the Council's "moral minimum" of 24*s.* for men and 18*s.* for women errs on the side of luxury or extravagance. But, unlike the Council's wage for skilled workmen, it is more than is actually paid by many conscientious employers; and it is undoubtedly above the rate at which the Council could obtain such labourers, if it chose to disregard all other considerations.

The labour policy of the London County Council, whether with regard to skilled or unskilled labour, may be explained as the deliberate choice of that form of competition which secures the greatest possible efficiency, as compared with the form which secures the greatest apparent cheapness. Public offices may be filled in one of two ways. We may, on the one hand, practically put the places up to auction, taking those candidates who offer to do the work for the lowest wage; or, on the other hand, we may first fix the emoluments, and then pick the best of the candidates coming forward on those terms. When we want brain-workers of any kind, every one agrees that the latter policy is the only safe one. We do not appoint as a judge the lawyer who offers to take the place at the lowest

rate. No one would think of inviting competitive tenders from clergymen as to the price at which they would fill a vacant bishopric. And a Town or County Council which bought its engineer or its medical officer in the cheapest market would, by common consent, make a very bad bargain. In all these cases we have learnt, by long and painful experience, that there is so much difference between competence and incompetence, that we do not dream of seeking to save money by taking the candidate who offers his services at the lowest rate. Unfortunately, many worthy people who realize this aspect of brainwork, because they belong themselves to the brainworking class, are unconscious that it applies no less forcibly to mechanical labour. They will pay any price for a good architect, but are apt to regard bricklayers and masons as all equally "common workmen." The consequence is that, owing to the extraordinary ignorance of the middle and upper classes about the actual life of the handicraft trades, it has gradually become accepted as good business that, though you must take all possible trouble in choosing your manager, it is safe and right to buy wage labour at the lowest market rates. But, as a matter of fact, there is as great a relative difference between one painter or plasterer and another, as there is between one architect or manager and another. If the pressure of competition is shifted from the plane of quality to the plane of cheapness, all economic experience tells us that the result is incompetency, scamped work, the steady demoralization of the craftsman, and all the degradation of sweating. When a man engages a coachman or a gardener he understands this well enough, and never for a moment thinks of hiring the cheapest who presents himself. Even the sharpest-pressed employer does not entrust expensive machinery to the mechanic who offers to take the least wages. The London County Council, realizing it more vividly than some bodies less in touch with the actual facts of industrial life, applies the principle all round. Whether the post to be filled be that of an architect or a carpenter, the wage to be

paid is first fixed at a rate sufficient to attract the best class of men in the particular occupation. Then the most competent candidate that can be found is chosen. Competition among the candidates works no less keenly than before; but it is competition tending not to reduce the price, thereby lowering the standard of life throughout the nation, but to enhance efficiency, and thus really to reduce the cost of production.

With regard to the lowlier grades of labour a further consideration enters in. It may be economically permissible, under the present organization of industry, for a private employer to pay wages upon which, as he perfectly well knows, it is impossible for the worker to maintain himself or herself in efficiency. But when a Board of Poor Law Guardians finds itself rescuing from starvation, out of the poor rate, women actually employed by one of its own contractors to make up workhouse clothing, at wages insufficient to keep body and soul together, even the most rigorous economist would admit that something was wrong.[1] The London County Council, responsible as it is for the health of the people of London, declines to use its position as an employer deliberately to degrade that health by paying wages obviously and flagrantly insufficient for maintenance, even if competition drives down wages to that pitch. The economic heretics, in fact, are not the Council, but those who, in flat defiance of Adam Smith, McCulloch, Mill, and Marshall, alike, persist in assuming that there is some obligatory "law" that the pressure of competition ought, without interference from man, to be allowed so to act as to degrade the standard of life of the whole community.

[1] The Chelsea Board of Guardians was, in 1894, paying its scrubbers 1s. 6d. a day, without food, which amounts to a weekly wage of 9s. A day's illness is sufficient to force such a worker to seek relief from the rates, and the Board then finds itself rescuing from starvation its own underpaid workpeople.

The Moralization of the Contractor.

Some critics, however, who do not object to the Council, like a prudent housekeeper or an experienced employer, fixing the wages of its servants at an adequate sum, demur to any interference with the freedom of contractors, and denounce as economically heretical the Council's standing order confining the Council's work to such firms as adopt the standard rate of wages. It is, say such critics, no concern of the Council how a contractor manages his business; and if he can get his workmen at less than the ordinary price of the best men, so much the better for him, and, in the long run, for his customers. The very object of industrial competition, they would add, is to keep the cost of production down to the lowest possible point, and any interference with the contractor's freedom to do his business in his own way tends to increase that cost.

It will, however, be obvious to the economist that these criticisms confuse cost of production with expenses of production. What the community has at heart is a reduction of the cost of production—that is, of the efforts and sacrifices involved in getting the object desired. This is of no concern to the contractor. What he wants is to diminish the expenses of production to himself—that is, the sum which he has to pay for materials and labour. This object he may effect in one of two ways. He may, by skilful management, ingenious invention, or adroit manipulation of business, get the work accomplished with less effort and sacrifice on the part of those concerned, allowing of a reduction of the out-of-pocket payments by himself; or he may, on the other hand, without diminishing the effort and sacrifices, induce those concerned to accept a smaller remuneration for their labour. Either way will equally serve his profit, but either way will not equally serve the community. In the first case, a real economy in the cost of production has been effected, to the gain of all concerned. In the second case, no economy in the cost of production has taken place; but the pressure of competition has

been used to depress the standard of life of some of the workers. The one result is a real and permanent advantage to the community; the other is a serious economic calamity, bringing far-reaching secondary evils in its train.

Now, many large fortunes have been made by contractors pursuing each of these methods, and the "good business man" doubtless resorts to both of them as opportunity serves. Unfortunately it is much more difficult and toilsome to be perpetually making new inventions, devising fresh labour-saving expedients, or discovering unsuspected economies, than to pare down wages, even at the risk of producing a slight falling-off in quality, provided that the deterioration is not so gross as to cause the actual rejection of the work. It is so hard to spend laborious nights and days in improving processes. It is so easy to find workmen eager for a job at 10 per cent. below the standard rate. "Mankind," says Emerson, "is as lazy as it dares to be," and contractors are no exception. It is safe to say that the more you leave it open to a contractor to make a profit, by reducing the expenses of production, the less he will trouble about lowering the cost. So much is this the case that, under a prolonged *régime* of free and unrestricted competition, the very existence of the alternative has often been forgotten. "Profits," said one capitalist, "are the shavings of wages."

It was in order to put a stop to the constant tendency of contractors to nibble at the current standard wages that the London County Council inserted its celebrated fair wages clauses. These clauses, it will be observed, leave open to contractors every chance of profit which comes from reduction of the cost of production. By concentrating the contractor's energy and attention on this point they presumably increase the fierceness of that part of the competitive struggle which promotes the public good. But, just as the Factory Acts, the Mines Regulation Acts, and the Education Acts, "rule out" of industrial competition the cheapness brought about by the overwork of women and children, or the neglect of sanitary

precautions, so the London County Council, representing the people of London, declines to take advantage of any cheapness that is got by merely beating down the standard of life of particular sections of the wage-earners. Here, the key-note of the Council's policy is, not the abolition of competition, but the shifting of its plane from mere cheapness to that of industrial efficiency. The speeding up of machinery, the better organization of labour, the greater competency of manager, clerk, or craftsman, are all stimulated and encouraged by the deliberate closing up to the contractor of other means of making profit.[1]

And just as the Factory Acts have won their way to economic approval, not merely on humanitarian grounds, but as positively conducive to industrial efficiency, so, too, it may confidently be predicted, will the now widely adopted fair wages clauses.[2]

Municipal Industry.

We come to an altogether different range of criticism when we consider the Council's determination to dispense, wherever possible, with the contractor, and execute its works by engaging a staff of workmen under the supervision of its own salaried officers. This has been fiercely attacked as being palpably and obviously opposed to political economy and business experience. It is worth while to place on record the facts.

Constructive work was not undertaken at first, but labour

[1] The economist will recall the analogous effect which labour legislation and strong trade unions have had in increasing the efficiency of the Lancashire cotton industry. Compare, too, Mr. Mather's testimony to the beneficent effect upon employers of trade union action in the engineering trade (see *Contemporary Review*, vol. lxii., 1892, and S. and B. Webb's *Industrial Democracy*).

[2] Many local governing bodies have adopted some kind of fair wages clause in their contracts. Particulars of regulations in 218 places are given in Parliamentary Return H. C. 47 of Feb. 11, 1898, "Urban Sanitary Districts (Conditions of Contracts)," 2½*d*. Compare also the House of Commons' unanimous resolutions of Feb. 13, 1891, and March 6, 1893, imposing the principle for Government contracts.

was hired to clean the bridges[1] and to repair the Council offices,[2] at a considerable saving compared with contract prices. The first piece of building work was executed by the Main Drainage Committee at £536 below the lowest tender of £2188. But the case which finally convinced three out of every four members of the Council of the desirability of executing their own works was the York Road Sewer. The engineer estimated the cost at £7000, and tenders were invited in the usual manner. Only two were sent in, one for £11,588, and the other for £11,608. The Council determined to do the work itself, with the result that a net saving of £4477 was made.[3]

This remarkable result naturally created a sensation in the contracting world, and attempts were made to impugn the engineer's figures. In his crushing reply he pointed out that the contractors had reckoned out their tenders at absurdly high prices in nearly every detail, charging, for instance, 60*s.* and 70*s.* respectively per cubic yard of brickwork and cement, whereas the work was done at 39*s.* It is clear from the other particulars given, and from facts notorious at the time, that an agreement had been come to among contractors not to compete with one another for this job, in order to induce the Council to abandon its fair wages clause. The Council preferred to abandon the contractor.[4]

The outcome was the establishment, in the spring of 1893, of a Works Department to execute works required by the other committees in precisely the same manner as a contractor. The Works Department stands to the other committees of the Council exactly in the same relation as if it were an independent contractor. When a committee has any work to execute, the Council's architect and engineer prepare the plans and make an estimate, without any reference to the Works

[1] Minutes, October 18, 1892, pp. 900, 901.
[2] Minutes, June 27, 1893, p. 683.
[3] Minutes, October 17, 1893.
[4] See the fuller particulars in Minutes of October 31, 1893, pp. 1063-5.

Department. Then the Council decides whether the work shall be done with or without a contractor. Sometimes it decides to put the work up to tender, a course which enables it to see whether the estimates of the architect and engineer are trustworthy guides. The Works Department may say that it is not prepared to do the work, either because it is not satisfied with the specifications and estimates, or because it has no convenience for doing work at that particular site, or of that particular kind. In that case the job is put up to tender and done by a contractor.

The accounts of the Works Department are kept distinct from those of other departments of the Council. The Finance Committee sees that it is debited with the interest and sinking fund on all the capital it uses; that full allowance is made to cover depreciation and renewals; that a complete stocktaking is regularly carried out by independent officers; and that all outgoings and maintenance charges are properly spread over the various works done. The accounts are elaborately checked by the Council's Controller, as well as by the Local Government Board's Auditor.

The Works Department has now been at work for over six years, during which it has executed over £1,000,000 worth of work of the most varied character—sewer construction, the making of roads, building houses of every kind, erecting bridges, carrying out of every sort of repairing and decorating jobs, and an innumerable array of miscellaneous operations. Whether, and to what extent, this work has been done cheaper than it would have been done by contractors is a matter of hot controversy.[1] The Progressives assert that, even with all the disadvantages of starting a new business, and struggling with "wreckers" inside the Council, the whole £1,000,000 worth of work has, taken as a whole, and including the "jobbing

[1] See *The Truth about the Works Department of the London County Council.* (London Reform Union.) The year ended September 30, 1899, shows a "profit" of £10,365 on completed works estimated at £79,270 (Minutes, Nov. 1899).

work," been executed at just about what the contractors would have charged. The Moderates declare that it has cost more; but even they do not put the excess at more than about 5 per cent. on the whole of the architect's estimate—an excess which any one accustomed to builders' bills will think amazingly low. But no sound judgment on the policy of dispensing with the contractor can be formed on statistics of this kind, extending over so brief a period. We must take a wider sweep, and see what inferences can be drawn from other experience.

It is usually assumed by the Council's critics, that its policy of eliminating the contractor is an unparalleled innovation, unknown outside London. A little knowledge of the action of local governing bodies elsewhere would prevent this mistake. It is, of course, unnecessary to remind the reader that Birmingham,[1] dominated by the strictest sect of the Individualists, has municipalized its water and its gas, which are in London still left to private enterprise. What is not so well known is that the Town Council dispenses with the contractor whenever it can, each committee getting much of its own work done by its own directly employed staff. The Public Works Committee, which looks after the thoroughfares, and the Health Committee, which is responsible for sanitation, have not only entirely eliminated the contractor from the cleaning and repairing of the streets and the removal of refuse, but even from the laying down of granite paving and flagging, once a most profitable item of his business. The Gas Committee is not content with employing hundreds of men to make gas, but also keeps its own staff of carpenters, bricklayers, blacksmiths, tinmen, painters, fitters, etc., to execute its numerous works. The Improvements Committee, like the Estates Committee, has its own carpenters, fitters, bricklayers, paperhangers, plasterers, and zincworkers, whilst the Water Committee, besides a regular staff of mechanics of all kinds, is now actually engaged

[1] Return of Hours of Labour, Wages, etc. (Appendix to Birmingham General Purposes Committee's Report, July 25, 1893). See Appendix II., p. 18.

in constructing several huge dams and reservoirs near Rhayader, two tunnels and various water towers and syphons, together with workmen's dwellings to accommodate a thousand people, stables, stores, workshops, a public hall and recreation room, a school, two hospitals, and a public-house—all without the intervention of a contractor. The construction of all the buildings on the works is being carried out by the workmen of the Corporation, under the superintendence of the resident engineer and his assistant. The timber and other material is being purchased by tender. "This method," reports the Water Committee, "of using material supplied by contract, and constructing by the direct employees of the Corporation, the Committee consider, under the circumstances of the case, to be the most economical, as well as calculated to secure the best results." But this is not all. The Water Committee, finding that the village would have beer, has decided also in this matter to dispense with any *entreprenеur*, and has "resolved that a canteen shall be established in the village," out of the capital of the Birmingham citizens, and "that the person managing it shall have no interest whatever in the quantity sold." [1]

And if we turn to Liverpool we learn that "almost all the city engineer's work is done by men directly employed by the Corporation. . . . The construction of sewers is now done entirely by the Corporation themselves. . . . They had such a cruel experience of doing the work of sewering by contractors that they have given it up." [2] It appears that in the old days, when the contractors agreed and charged for two courses of brickwork, no amount of inspection sufficed to prevent them putting in one only. "What happened was this: that whenever the Inspector came round, or the Clerk of Works, to watch the contractors, they found the two rings of brickwork going

[1] Report of the Birmingham Water Committee, presented February 6, 1894.

[2] Evidence of the Deputy Town Clerk of Liverpool before the Unification of London Commission, p. 328 of C—7493-I

on very well; as soon as the Inspector went away . . . the second ring of brickwork was left out . . . and so the sewer got weak. . . . You could trace the visits of the Inspector by the double rings" which were found here and there at intervals when the sewers were subsequently uncovered for repairs.[1]

This evidence from Liverpool is especially interesting in connection with what has recently been discovered at Manchester. The Auditor's report, published in 1896, exposes a precisely similar fraud in connection with the thirty-five miles of new sewers now under construction. This work was let to thirty-four different contractors, who had already received over £600,000 for their work. The new city surveyor, finding that the work had been scamped, had "street after street taken up at great expense, and such an exposure was made of fraud and deceit as I," writes the auditor, "have never before seen. The men who built these sewers in a tunnel never dreamed that their rascality would be discovered." The chief method adopted was, as at Liverpool, leaving out one ring of brickwork, except when the Corporation Inspector was signalled as being about to descend the shaft. Then the workmen hastily put on a second row of bricks at that spot. The frequency of the Inspector's visits to each bit of work were found marked by this extra ring of bricks, here and there, instead of along the whole length of the sewer.[2]

Nor are these Councils in any way exceptional in their steady progress towards the elimination of the contractor. In the early days of municipal activity practically everything was let out to a contractor. Nowadays every large municipality, even if it does not possess any separate Works Department, has a staff of mechanics and artisans in regular municipal employment, and every day executes many important works and services by its own workmen, which were formerly let by tender to the lowest bidder.

[1] Evidence of the Deputy Town Clerk of Liverpool before the Unification of London Commission, p. 328.

[2] Report of the Citizens' Auditor of the City of Manchester for 1895.

Nor is it in municipal boroughs alone that we see the change in policy. Nothing was more common a few years ago than for highway authorities to get their roads kept in order by contractors. An interesting return obtained in 1892 by the County Surveyors' Society shows that this practice has been almost entirely abandoned in favour of direct employment of labour by the county surveyor. Only in one or two counties out of thirty-five furnishing particulars does the old custom linger. The county surveyor for Gloucestershire indignantly denied an allegation that he favoured the contract system. "It does not commend itself to me in any way," he writes, "and encourages a low form of sweating. My own experience of road-contracting is that it does very well for five years, then the roads go to pieces, and you have to spend all your previous savings to put them to rights."[1]

When we thus find even the County Councils in rural districts giving up the contractor, it ceases to be surprising that the Town Council of Manchester, in the city of Cobden and Bright, now manufactures its own bass-brooms, or even that the ultra-conservative Commissioners of Sewers of the City of London, actually set the County Council an example by manufacturing their own carts.[2] The superiority of direct municipal employment, under salaried supervision, to the system of letting out works to contractors has, in fact, been slowly borne in on the best municipal authorities all over the country by their own administrative experience, quite irrespective of social or political theories.

Integration of Processes.

Business men, not so very long ago, would have argued that this policy of including all kinds of industrial processes

[1] *Particulars of Management of Main Roads in England and Wales*, a report compiled for the County Surveyors' Society, by Mr. Heslop, County Surveyor for Norfolk. See *Builder*, March 19 and 26, 1892.

[2] Statement of the Commissioners of Sewers, presented to the Royal Commission on London Unification.

under one administration was contrary to the lessons of business experience. The last generation of captains of industry believed in each undertaking sticking closely to its own special trade, and contracting with similarly specialized undertakings for all subsidiary parts of the business. "Never make anything yourself that you can buy elsewhere" was a common industrial maxim. The last thirty years have changed it to "Never buy from any one else what you can manufacture for yourself."

The most familiar instance of this revolution of policy is seen in the English railway companies. Once a railway company was an association for getting a railway made, and running trains on it. An able essay written by Mr. Herbert Spencer forty years ago, protested strongly against any extension of a railway company's scope. Nowadays an up-to-date railway company runs docks, canals, ferries, steamships, and hotels of its own, and carries on, besides, innumerable subsidiary businesses, and manufactures every conceivable kind of article, entirely by its own operatives, working under its own salaried staff. The directors of the London and North-Western Railway Company, for instance, with a comprehensiveness that would have staggered George Stephenson, lay it down as an axiom that the company "should be dependent on the outside world for as few as possible of the necessaries of life." The manager at the company's great workshop-town of Crewe, "can think of nothing of importance that is imported in a manufactured state, except copper tubes for locomotive boilers." "As we pass from shop to shop, here may be seen a steel canal boat in process of construction (for the company, it must be remembered, is a great canal proprietor); there, a lattice-work bridge is being fitted together. Further on, hydraulic pumps, cranes, and capstans crowd a huge shed. In another place, chains of all sorts and sizes, from cables to harness traces, are being forged by the ton; close by, coal-scuttles and lamps are being turned out by the hundred. In all the works there is no stranger sight than a corner in the carpenters' shop, where two men are

constantly employed making artificial limbs. Some two years back (that is, about 1885) the company embarked on this branch of manufacture, and undertook to supply legs and arms of the most finished workmanship to any man who lost his own in their service." [1]

Nothing indeed is too small or too great for the North-Western to manufacture for itself. Crewe turns out a new locomotive engine every five days, and you may watch the company's own rails being rolled in its own steel works. At Wolverton, Mr. Acworth recounts how he "came upon a man engaged in etching designs upon the plates of ground glass that were to form the windows of lavatory compartments, and was told that the company had recently found that it could do this work for itself at half the price it had formerly paid" (pp. 60, 61). Since 1881 the North-Western has been steadily eliminating the privately owned waggon. For over twenty years the companies have managed their own collection and delivery business. Nearly every company, too, now builds its own carriages. The Midland Railway prints its own tickets; whilst the Great Eastern goes a step further, and executes in its Stratford works nearly the whole of its own printing, including its gorgeous coloured posters and pictorial advertisements. "In the printing works the company keeps about 110 persons constantly employed, and is understood to save a good deal of money by doing so." [2]

But the Midland has tried another experiment. At the great Trent stores are between three and four hundred thousand empty corn sacks, which the company furnishes for the conveyance of the corn from the farmer to the miller. Here, too, the contractor formerly existed and made a profit, until, a few years ago, the business was undertaken by the Company itself.

In every branch of railway management, in short, the

[1] *The Railways of England*, by W. M. Acworth. London: 1889, p. 59.

[2] *Ibid*, p. 416.

elimination of the independent *entrepreneur* or contractor is being rapidly effected. It was impossible that this example, set by undertakings in many respects analogous to municipal departments, should have no influence on the business men who rule our Town Councils.

But although railway directors cannot be supposed to have been bitten by the tarantula of Collectivism, every one will not be convinced by their remarkable change of policy. They resemble the members of a Town Council in not working for their own personal profit, and may, it is urged, therefore be indifferent whether their ambitious excursions into manufacturing industry actually pay their way. It is, therefore, interesting to find exactly the same revolution of business policy in large private undertakings. No better instance could be adduced than the history of a certain world-renowned firm of shipbuilders, whose rapid and continued expansion is one of the marvels of modern industry.

Twenty years ago this firm constructed in their own yard little more than the hulls of the vessels, contracting for all the thousand and one articles of equipment with numerous other manufacturing firms which specialized in these directions. Nowadays, this same shipbuilding firm manufactures every one of these articles—from triple-expansion engines down to the brass handles of the cabin lockers—in its own works; and turns out its vessels from keel to topmast entirely of its own construction. Instead of employing only shipwrights and platers, that firm now engages men of several hundred separate trades, who work under the salaried management of different heads of departments.

The following letter gives some of the dates and particulars of this industrial evolution:—

LETTER FROM AN EMINENT SHIPBUILDING FIRM AS TO DATES OF PROGRESSIVE ABSORPTION OF SUBSIDIARY PROCESSES.

I have yours of 11th inst., and have much pleasure in giving you the information you ask for respecting certain subsidiary work

previously done for us by sub-contractors but now carried out within our own works.

In 1879 we began to rig the ships built by us.

In the same year we began to build lifeboats.

In 1880 we commenced plumbing work on board our ships, and to make our own sails.

In 1881 we opened an upholstery department to carry out that branch of work ourselves.

In 1882 we opened an electric light department.

In was in 1880 that we started our engine works, all the engines for vessels constructed by us up till then having been made in outside engine works. And even after we opened the engine works certain subsidiary machinery was obtained from outside which we now construct ourselves.

For instance, in 1885, we first built crank shafts for main engines. In 1887 we began to manufacture manganese bronze propeller blades. In 1890 we began to make circulating pumps and engines, duplex pumps, steam steering engines, and brass sidelights for ships, and in the same year our smith work gradually merged into general forge work.

The history of great engineering establishments shows the same tendency. The progress of the largest firm in the United Kingdom shows how, during the present generation, business has been added to business, until the firm has become one of the largest in the world, mining its own ore, making its own pig-iron, smelting its own steel, building its own ships, erecting its own engines, constructing its own tools, and executing innumerable subsidiary works in every direction.

And, turning to quite another industry, we may cite the experience of a Birmingham manufacturer of metal goods, whose business has distanced all his rivals, and is now the largest and most prosperous in the trade. Thirty years ago he was completely under the dominion of the then prevalent idea of specialization. Everything required in his business which did not come strictly within the limited sphere of his own specialties he obtained by contract from other firms. Gradually his ideas changed, more and more of the subsidiary work was done in his own factory. He began to make his own

tools and machines. He commenced to repair, and then to construct his own engines. When additions to his works were required, he picked his own clerk of the works, bought his own bricks, and engaged his own artisans. Year by year he has found himself becoming less and less dependent on outside contractors, until the other day he started making in his own essentially metal factory even the wooden hogsheads and paper boxes in which his goods were packed. And he himself attributes the continued profitableness of his business, and its very rapid expansion during times when his competitors have often been working at a loss, mainly to this progressive elimination of the contractor and subsidiary *entrepreneur*. The following memorandum describes these changes in his business.

MEMORANDUM BY A HARDWARE MANUFACTURER, DESCRIBING THE SUBSIDIARY OPERATIONS NOW UNDERTAKEN BY HIS FIRM.

I find that some time at the latter end of 1870 we first began to manufacture goods that we had previously bought from other manufacturers. These goods were chiefly unfinished work that was required to complete the various articles that we sold. In some cases I made the change because I thought I could make a better article, and possibly a cheaper one. But the important advantage was in obtaining quick deliveries, and, therefore, prompt execution of orders. Since that date we have bought less and less outside, and at the present time we make almost everything that we require.

About 1868 we began to do all our own repairs to machinery, plant, and buildings, and employed carpenters, fitters, machinemen, bricklayers, slaters, and painters.

In 1879 we began to make and design machinery that we required, and to erect new buildings. For some eight years earlier than this I had designed all machinery, and had it made either in Birmingham or Manchester. This alteration was made chiefly because the machines were special, and I did not want them used by competitors in my trade.

In 1884 we built large carpenters' fitting and erecting shops, to

enable us to equip ourselves a large factory we were then putting up. These shops employed some 100 hands, who for the last ten years have been fully employed.

In 1886 we began to make all the hogsheads (used for packing), packing cases, paper boxes, and everything that is required for the delivery of goods to our customers. We even make what is called wood wool, a substitute for straw. This department is a very large one, and uses up small forests of timber. This development has greatly facilitated the quick delivery of our goods, and has prevented a great waste caused by breakage in transit.

Space forbids any further multiplication of instances, or we might recount how one of the leading London publishers has lately become his own bookbinder, whilst another well-known firm combines in a single undertaking every stage of book-production, from the hiring of the author at fixed wages down to the sale of the volume by travelling pedlars. Or we might cite the colossal manufacturer of boots, buying his own hides in America, or his own gutta-percha in Borneo, and vending his wares, on the other hand, in his own retail shops all over the kingdom.

Economic criticism of the London County Council has perhaps suffered by the fact that this integration of processes, or union, under a single management, of many separate businesses, has hitherto scarcely attracted economic attention. It is, of course, by no means the same as the oft-described elimination of the small business in competition with the large. The tendency, in fact, is frequently the other way—a large specialized business becomes superseded because its customers begin to do the work for themselves, each of them in a much smaller way than the single separate factory. Thus an old-established firm of "finishers" of certain textile manufactures have described how, during the past thirty years, they have one by one lost their best customers, not to any rivals in the "finishing" trade, but because the manufacturers were steadily tending to do their own "finishing." The essential feature of the change is the substitution of salaried work and management

for the *entrepreneur* labouring for his own profit. Business men have apparently discovered, contrary to ordinary economic opinion, that the economically most advantageous form of industrial organization is that in which the stimulus and temptation of profit is confined to as few of the actual workers as possible. So far is it, indeed, from being true that the hope of profit-making is the best or the chief stimulus to industrial efficiency that, from the mediæval master craftsman down to the modern captain of industry, the proportion of the population who work for profit has been steadily diminishing. The remarkable growth in the numbers of men directly employed by municipalities and other public bodies is, in fact, paralleled by an exactly similar growth in the numbers of men directly employed at salaries and wages by private establishments. The elimination of the contractor or subsidiary *entrepreneur* is the dominant fact in modern industry.

It is also to be noticed that the tendency is to shift the direction of industry from the producer to the consumer. The manufacturer whose business requires a steady supply of raw material, particular kinds of tools, engines and buildings adapted to his processes, or packages ready at the very moment his wares are finished, finds that it is more convenient, less liable to mistake or delay, and, in the truest sense, more economical for him, as the consumer, to obtain all these things by his own directly employed staff, than to rely upon the competition of producing *entrepreneurs* of specialized firms. And thus, as the manufacturer absorbs the separate producers of the wares he consumes, he must not be surprised when the public, the ultimate consumers of the wares he produces, themselves apply the lesson, and, through their elected representatives, finally absorb him.[1]

[1] Compare the steady expansion of co-operation by associations of consumers—see *The Co-operative Movement in Great Britain.* By Beatrice Potter (London, 1891). The substitution, as the director of industry, of

Why is the elimination of the subsidiary *entrepreneur* more practical now than it was in the last generation? It would take too long to examine the fundamental causes and conditions of this change in industrial organization. Most changes in social structure depend, in the long run, upon individual character; possibly there has been a growth in the number of men who can be trusted to work efficiently and honestly as salaried managers instead of for their own personal profit. Possibly, too, as industrial organization becomes more complex, the advantage to the consumer in directly controlling the production of every article he requires, becomes more apparent. All improvements in social organization, too—steam, telegraph, the free use of the printing-press, and now the telephone—facilitate the massing of workmen under single generals of industry, able efficiently to control larger and more heterogeneous and more complex industrial armies than could be managed by the captains of the past generation. Finally, as regards the substitution of the collective for the individual management of industry, it is evident that this will have been rendered increasingly practicable by the perfecting of democratic organization.

All these and other influences are but fragmentary suggestions towards the explanation of a change in industry of which the policy of public authorities in getting rid of the contractor is but one out of many manifestations. Formerly the best business management was that which itself managed least. Nowadays the best business management is that which can

the consumer for the producer usually implies a clear economic gain in saving one of the processes of checking or examining. Mr. Herbert Spencer has himself described how the Admiralty was driven to set up its own flour-mills, because it cost too much to maintain the necessary scrutiny of every sack of flour delivered by the contractors. The London County Council found that it involved no more of the time and attention of their architect and engineer actually to supervise work done by the Council's own foreman and mechanics than to keep the necessary close watch upon the contractor and his manager, who were anxious, not to make their men build well, but only quickly.

safely and efficiently administer most. The integration of productive processes under direct control of the consumers may or may not be economic heresy; the business history of England for the past thirty years indicates that it is industrial orthodoxy.

XIX

MUNICIPAL SOCIALISM

By John Burns, M.P., L.C.C.

The following letter was written for the purposes of an ephemeral controversy; but beyond its ephemeral references thereto, it contains a singularly strong presentation of the Socialistic view of citizenship, which seems the vitally Socialistic element in the new phases of English municipal life.

John Burns (born 1858) worked as a boy in a candle factory, then as a rivet-boy, and finally was apprenticed as an engineer. He worked twelve months on the Niger, and in 1878 toured Europe; about 1880 the centre of his political work became Battersea. He was early a member of the Social Democratic Federation; in 1885 he contested West Nottingham for it; and in 1886 was twice prosecuted —for the "West End Riot" and for the "Bloody Sunday" episode in Trafalgar Square. He left the Social Democratic Federation; but in 1889 conducted a great agitation in connection with the London Dock strike. Battersea returned him in 1888 to the London County Council, and in 1892 to the House of Commons; he has kept both seats ever since.

To the Editor of "The Times."

Sir,—When a great newspaper arraigns the best, the most ancient, and the most remunerative form of British institutions, it should at least undertake that task with a sense of fitness, accuracy, fairness, and proportion.

In its articles on Municipal Socialism the *Times* has displayed none of the qualities which, properly applied, would have checked occasional abuse in local life, restrained raw haste in

municipal experiment, stimulated the best men of all classes to give increasingly their unpaid services to improve their towns, beautify their cities, and ameliorate by civic means the communal lot of their poorer neighbours. On the contrary, out of the welter of irrelevancy, pettiness, and prejudiced support of vested interests which these articles disclose, there is nothing to elevate an indispensable phase of public life, reform its minority of erring councillors, instruct the rate-payers, or inspire its capable municipal civil service. If the allegations made in "Municipal Socialism" were a true reflex of civic life in Britain, if "this is the government of Britain's Isle," then Britain is undone. If popular representation, Labour, Socialism, and municipal workmen were not capable of better conduct than the *Times* imputes, Democracy is a stilted make-believe, popular administration a sham, and municipal service is but a pretext for patronage, corruption, gluttony, and vanity. Fortunately for all, these allegations are generally untrue; municipal life in Britain is much purer than the *Times* alleges, and if its efficiency is not yet ideal it still is better than private enterprise and the contract system, which it is rapidly supplanting by its innate superiority, and is still the constant envy of all the foreign countries who sedulously copy what the *Times* so much condemns.

That there are a few failures, that some experiments have not achieved financial success—not always the best criterion in human affairs—may be true; that here and there the transient blunders of undisciplined zealots are caused by lack of business capacity, only proves that the sphere of municipal activity is no more infallible than is that of Parliament itself, and every human institution, especially criticism, and even the *Times*. As for personal corruption, there is little, if any, alleged, and less is proved. That there is too much feasting and journeying for insufficient reason by some councillors at the public expense but in the public interest is true, but not new; but this is confined to a few men in few places, and this folly is, fortunately, diminishing. Curiously, there is less of

this vulgar conduct amongst Labour councillors than other classes.

But even in this respect the most flagrant sinner is the City of London Corporation, against which, so far, the *Times* has failed to say a single word, notwithstanding that its official, *i.e.* public, gluttony is as notorious as it is costly, and if the character of the *personnel* of Labour councillors is to be considered, and where defective properly condemned, it must not be forgotten that several of the Corporation members and some of its Lord Mayors have been censured by the Judiciary for private trafficking and public nepotism, a vice relatively unknown amongst the Municipal Socialists.

The authors of the articles are directing almost solely their attacks on poor men, on Labour parties, and attribute to new views and popular principles errors and mistakes that 20 years ago would have been unnoticed under the old *régime* of Tory aldermen, jerry-building domination, company wire-pulling, and reactionary rule.

The fierce light of criticism is to beat only upon the West Ham labourer, the Battersea bricklayer, and the Wolverhampton engineer, whose entry into public office is due too often to the abdication of municipal service by men of "superior" (?) classes and greater business knowledge for the leisure that rusts, the pleasures that defile, the search for money that rarely exalts.

Worse even than that, the *Times* practically lays it down that richness of personal character and wealth of public spirit are incompatible with slender means—a fallacy that is refuted by the degradations of public life in South Africa and America almost exclusively by rich men.

And because some poor Labour councillors have attempted too much in a short time, and in the face of unscrupulous opposition, often by officials, always by the publicans, house agents, slum owners, food adulterators, and others, who make up the ratepayers' alliances and are the nucleus of anti-progressive municipal life—then they are to be pilloried on small errors for great crimes.

The authors of the articles seek, as in their *Crisis in British Industry* less to reform what exists, than to destroy popular effort either in industrial organization or municipal life, and in this they will inevitably fail. I suspect that their real and greater object is to divert public attention from the blunders of the governing caste at home and abroad, and to divert criticism and punishment from their political allies, so that the South African blunder can be covered up by the "horrible doings of the West Ham Socialists" or "the awful crimes of the Battersea Labour League" in starting a self-supporting club and gymnasium for the diversion of potential hooligans into comely youths and decent citizens.

The pitiably sordid defence of the railway companies against paying their proper share of local burdens discloses the class bias of the attack on Municipal Socialism. These increased rates in nearly every case have been caused through the lack of foresight by the companies themselves, whose blunders in approaches, railway arches, and other conveniences have been a curse to many localities, some of which in London, particularly Battersea, have been heavily burdened in consequence.

The gross misrepresentation of municipal electric lighting, gas, water, and tramway ownership, when one year's figures are taken as a sample, stamps the authors as mere fuglemen of monopoly, the mouthpiece of trust and company rule. What is more, it proves their ignorance of the subjects of which they try to treat. A casual reading only of the technical papers like the *Electrical Times* or *Municipal Journal* would demonstrate that the municipalities generally, as compared with companies, sell cheaper, generate cheaper, for kilowatt of plant have less capital, serve the public better, and all the time are piling up a public asset which is not only good Socialism, but first-rate business for the ratepayers, and ultimate wealth for the community.

The answer to all their charges against municipal trading, its costs and results, is best given in the words of Mr. Maltbie,

in 1900, after an inquiry of great care and exhaustiveness into municipal gasworks, as compared with company exploitation :—

"Summarizing the results of municipal ownership as compared with private operation under public control, it is to be said that under the former system, prices for gas, meters, and fittings are lower; that the quality of gas is better, that it is much more extensively used, that wages are higher, that the treatment of labourers is better, that profits are nearly as large, that works are not as highly capitalized, that sinking funds are adequate, that productivity per unit of raw material is almost as great, and that the management is fully as progressive ; all in all, municipal operation has been more successful than private operation."

Practically the same, or better, can be said of the 930 authorities who supply water, the 240 owning gasworks, the 100 owning tramways, and the 180 supplying electricity. Certainly tramways more than justify expectations from all points of view, especially that of housing.

Electric light, measured by the standard of cost, service, price, and regularity, tells the same tale, as a perusal of the electric manuals will prove. Markets do the same; and measured by quality of work, at less or the same price as contract, direct employment in public building operations comes out well. The financial aspect and monetary success of the whole ramifications of municipal trading is proved conclusively by Sir Henry Fowler's return made in 1899. This official report proved that of £88,379,931 of capital invested in waterworks, gasworks, tramways, electric lighting, markets, baths, cemeteries, dwellings, piers, and miscellaneous, there was a net profit of £3,613,668. This business-like result could not be secured if labour-loafing and municipal malingering prevailed to the extent alleged by the *Times* articles.

Similar results are shown in Reports 343 and 347, 1901, and 1899 for Scotland. Apart from these satisfactory results, the capacity and adaptability of municipalities to manage well is undoubted. The Glasgow tramways have run off a rival

parallel steamboat service, and actually caused a great Scotch railway to abandon its dearer and slower suburban services because the directors thereof have given to political lobbying and extraneous work what should have been devoted to better management for the public, and dividends for their shareholders.

Truly the directors, when they see with envious eyes the superiority and greater cheapness of municipal traction, can say, "Not in our (municipal) stars, but in ourselves, that we are underlings."

I venture to predict something similar in London for omnibuses, railways, and even tubes, when London owns a complete electrical surface tramway service with a universal penny fare, but which is at present being obstructed and crippled in its development by a small knot of Parliamentary capitalists who find mischievous allies in the House of Lords.

What the *Times* really fears is not municipal mismanagement, because that does not prevail. In the interest of private enterprise it really dreads State and municipal absorption, and more efficient working thereby, of monopolies that in service have become intolerable, and in slowness and cost unendurable, either for civic expansion, social needs, or commercial development.

The *Times* apprehends, without cause shown, that municipal trading may fail. I do not share that fear. Social odium and displacement can always be relied upon to stimulate officials to do "the utmost for the highest." Greater powers to committees and officers to dismiss lazy or incompetent workmen will correct any abuse from this quarter. And if sectional aims go too far, as often they do, particularly at the War Office, the mass of the public can be relied upon to administer the necessary corrective in a summary way.

Where that has not been done, experience will teach, and the necessity for success will compel.

In the latter process, labour leaders, as in the past and present, will deprecate and resist the sectional aims of a class

or trade unless these can be reconciled with the instalment process of improving the mass of the community step by step.

In fact, signs are not wanting that already the sensible servants of the State, and the equitably-minded of the municipal workmen, are conscious of the danger that disproportionate demands may bring to the commonwealth. And, with a few exceptions, amongst leaders and men there is asserting itself a belief that all for each means also each for all. The ever-widening sphere of municipal employment, of course, presents social, political, moral, and ethical difficulties. But the same problem is greater in the trust, the combine, and the public monopoly, as the "Car Barn Vote" of companies' *employés* proves.

The greater difficulty about the latter is that a few persons, often a single individual, such as a Pierpont Morgan or a Penrhyn, can only be dealt with when an industrial crisis is reached, and from behind the wall of uncontrolled possession either cripple industry by a corner in commodities, or by railway rates, or crush out human sympathy and combination by a feudal edict that municipal ownership would avoid.

In a word, the rapidity of growth of towns, the productivity of labour and machinery, the aggregations of populations, the increase thereby of complex civic problems, brush aside all the doctrinaire theories of individual as against collective ownership. The average Briton, to his credit, cares neither for the cast-iron formulæ of Marx, or the belated wails of individualists; what he cares for, votes for, and pays for is the best that any system will produce, and the answer to the allegations of the *Times*, as to the dangers of municipal enterprise, is that concurrently with keener criticism municipal trading disproportionately grows, and will so continue to prosper.

What is needed for its guidance, development, and full fruition for the ratepayers is greater tolerance and more sympathetic relations between all classes of people in matters that affect the common interests of the newer and the higher citizenship. Fortunately this is coming, as is evidenced by

the excellent work, apart from their political differences, that the London County Councillors have generally displayed at Spring Gardens for the betterment of London. In this work none have shown better judgment, tact, and self-denial than the Labour members.

It would have done the *Times* more credit if it had encouraged this process from its higher vantage-ground, instead of turning on a cock-and-bull story about an officer sending a map to be repaired to the Works Department—the cheapest and best way of getting it done, by the way—or of a painter refusing to unscrew a door-plate because it was a carpenter's work.

I could retort by saying that because my trade union and the plumbers spent foolishly about £100,000 over a demarcation of work dispute some years ago on the Tyne, that therefore the employer on whose works this collective folly occurred should be pilloried for an act he was not responsible for. The fault rested with the respective trades, not with the council or employer. Similarly the *Times* distorts, exaggerates, omits, and misinterprets the greatest movement of the century which it wishes to destroy, but has not the fairness to understand.

Its charges about direct employment of labour are as ridiculous as they are untrue.

The L.C.C. only asks contractors to grant their workpeople "the rate of wages, hours, and conditions in practice obtained" by the trade unions from associations of employers, and in practice obtained. The L.C.C. itself only pays to its workpeople what the same workmen could get on similar work elsewhere. Its other clauses as to payment, arbitration, retention moneys, and other conditions are much more favourable to contractors than those enforced by the Metropolitan Board of Works. The Council insists upon, and generally secures, the same amount of work as contractors, and certainly gets a better quality of work from those it employs.

With regard to its Works Department, the inception of

this policy was due to the contractors themselves by their high prices and their mysteriously similar tenders, and the desire to remove from L.C.C. officials a sphere of temptation to which I am not anxious any public servants should be subjected, and to which some of their predecessors' servants succumbed, as recent magisterial and other significant facts disclose.

Whether the *Times* cares for it or not, the elimination of the middleman, the abolition of the contractor, is a rapidly growing process not only for all public bodies, but for Governments and even large private manufacturers. It is in that way that profit, concentration, and economy are to be found, and is the only weapon of the community against the tyranny of the trust. What is more, if there is any defect in the direct employment of labour by the L.C.C., the primary responsibility for this rests upon those who, for political or trade reasons, have prevented the proper equipment, administration, and work of the department.

Where similar work is done by the City of London, the London School Board, or even by the Government, at same cost and no better quality, there is a studious silence; but "what in the City captain is but a choleric word, in the County Council soldier is rank blasphemy." But the facts about the Works Department are these:—

Since its inception it has done, under the old management, £793,990 5*s.* 1*d.* of estimated work at a cost of £865,244 9*s.* 10*d.*, or £71,334 above estimate, by no means the absolute standard, and that on 12 jobs taken too cheaply in the early stages.

Under the new management it has completed £466,102 8*s.* 2*d.* estimated, at a cost of £473,713, or £7610 above. From the latter alleged loss £7233 is to be deducted for profits on jobbing works, or a net loss of £400. As a set-off against this, over the whole period £97,000 has been incurred for excessive establishment charges, £34,000 for general charges, including interest on capital, £12,377 for repayment of capital, or a total of £144,000. If any ratepayer wishes to

see whether he has value for the money, a visit to New Cross, Whitefriars, Battersea River, and other fire-stations will reassure him; whilst a visit to the new Lots Road Pumping Station, Heathwall, and other works, will dispel the "wild and whirling" words of the authors of Municipal Socialism in the *Times* as to the capacity, cost, and quality of the department's work.

If contract comparisons are needed: Parliament Street contract paving, the annual cost of £35,000 a year on scamped Board School buildings, the Victoria Embankment repairs, and the enormous extras on the works by other London bodies that can be named. These bodies are being tardily driven to follow the policy of the L.C.C. in defence of the ratepayer, independently of the interest of the workman, the protection of the contractor, or the aims of the theorist.

The wise municipal statesman says, with the poet Pope—

> "For forms of government let fools contest,
> Whate'er is best administered is best."

The growth of municipal trading is only the recognition, and the profitable application to municipal affairs, of the sensible couplet that is never quoted by the present Government of the country, which on all counts is worse managed than any borough council I know of, including, with all its difficulties, overburdened, undermanned West Ham.

The *Times*, in its quixotic crusade against municipal trading, descends from the criticism of municipal life in general to the particular in several instances, and of course, not unexpectedly, Battersea, with which I am associated. Is this a premonition of an imminent general election, as I notice that invariably in London a wholesale onslaught is made either on the L.C.C. or the Battersea local governing body a few weeks before either of the two elections occurs? Of Battersea, the first charges are that the representatives of the masses make pilgrimages to Battersea, with the view not of studying municipal efficiency, "but of getting nice, soft, and comfortable jobs." This quite

unfounded statement is disposed of by the fact that the overwhelming majority of the staff now engaged by the Battersea Borough Council have been transferred from the old local Board of Works, the defunct vestry, or as vacancies have occurred from the best qualified, whether from Liverpool, Manchester, or elsewhere, irrespective of politics, creed, or class.

Borough Councillors can truly say, "None of my relations are (local) Government contractors." Whilst in the matter of relationships, Downing Street could do worse than emulate the Spartan self-denial of Battersea.

It is true that the majority of councillors are of the working classes, but so are their constituents. Better this than the creatures of contractors, as too many members of the old London vestries were, and in so being causing their belated disappearance in favour of the existing bodies, who are extending municipal enterprise as fast as they can to undo the heritage of neglect and jobbery the vestries bequeathed to them. The allegation that this Labour representation has operated to the detriment of the district is disposed of by comparing its roads and the cost per mile thereof, streets, sanitation, libraries, baths, electric light, its sterilized milk depôt, its gymnasia, gardens, and other amenities, with Tory, middle-class, company-ridden Wandsworth, or with the aristocratic Westminster City Council, which, in my opinion, is the worst and most costly district in London, with its paving scandals and its mania for advertising itself in costly street name-plates.

It is true that Battersea has a works department, but so has the *Times* office for its limited work.

That works department from 1895 to March, 1902, did £266,000 of estimated works at a cost of £256,000, or £10,000 below estimate, and which, allowing for office and establishment charges, still yields a profit to ratepayers for admittedly superior work, the abolition of tips, secret commissions, and high maintenance charges that bad contract work always means.

The instance of the excessive cost on the Albert Bridge Road sewer is only partially true. This was a difficult job. A new sewer had to be placed under another, which had collapsed long before its proper time, because it was badly built by a contractor; there were difficulties through land water getting in; but there is less to blame the council for in this than in the system of cheap and nasty work that rendered this job necessary at all.

What the "Municipal Alliance" want is to get back to power to revive this condition of things; hence their rage and disappointment through the medium of the *Times*.

The silly stories of five men to drive a nail, the fiction about York Road châlet, which could not be put elsewhere except at treble the cost, and could not be altered as to level because of main sewer, my unfounded visits to certain works, and my purely imaginative rebuke of workmen on these jobs, are but the irresponsible clatter of defeated jerrybuilders in their cups, or the fictions of a few dismissed *employés* who were sent about their business.

The statement about "local government in Battersea being carried on far more in the interests of municipal *employés* than in those of the general body of the ratepayers" is as unfair as untrue. This statement is the invention of the local Municipal Alliance, that on several occasions have failed to make their charges true, and, what is more, do not make them on the council itself, where they can be refuted.

The numerical answer is that in November, 1899, the council had in its employ 570 when work to be done justified this number. It has now 242 doing its necessary public work, and of these I should say half were without votes, spread over two L.C.C. and Parliamentary constituencies, and the majority of these people often are Tory in their views.

It is true that Battersea has a debt of £515,000, but what of that. Its assets in electric light, libraries, baths, wharves, works, and other properties, counterbalance this. It is also true that its rates have been seriously increased, but this is not

altogether the fault of the borough council. It is due to causes general to all parts of the metropolis, partly to outside bodies, who out of a total rate levied by the borough council of £383,000, leave the borough council only £136,000 for its manifold duties; and this cannot be specially attributed to Battersea workmen. One of the chief reasons is due to the eviction of the very poor from low-rated West End parishes, who bundle their poor and their burdens over the bridges from Belgravia to Battersea. The way out is to further equalize the cost of Poor Law maintenance, but not to cut down the standard of sanitary efficiency.

The *Times* then makes a great fuss about what Battersea spent upon free concerts, now disallowed by Local Government Board auditor. The cost of giving 76 concerts to 84,000 people in three years, delightful counter-attractions to the street and the public-house, cost the parish up to date less than £900, or not a farthing rate for the year, and less than a foolish person in the West End recently spent on a dinner for ten persons that fitly ended in a street row. If, however, there had been more tact and judgment displayed in this matter by those responsible, this venture could have proceeded as originally intended, "but raw haste was ever half-sister to delay."

The facts about the boys' club and gymnasium are not as stated. The truth about the matter is, that the Latchmere Baths in the winter were lying idle; youths were lounging about the streets, with nowhere to go but the public-house or other undesirable places, sucking at cigarettes.

The council fitted up a gymnasium at a cost of £496, including appliances, wages, expenses, and salary of instructor, and charged a small fee for admission and use; 31,000 youths paid this fee, or a sum of £403, leaving a deficit of £93, a set-off against which is the improvement of physique, manners, and habits of the lads frequenting the place, which would have pleased Colonel Fox, of Aldershot Gymnasium, and the Royal Commission on Physical Education.

As to the club, where they can play bagatelle and other innocent games, 16,000 boys paid in fees the sum of £65 for the use of recreative pleasures that saved them from the streets and yielded £3 above cost and working expenses. In all, 47,000 youths for less than £100 had opened out to them something better than the streets and their consequent hooliganism; and this useful work is described as a scandal.

It is not true, as stated, that the Latchmere Baths are a loss of nearly £4000 a year to the parish. The working expenses, including repayment of principal, are £4843 for 230,000 bathers; the receipts are £2183, and, in spite of low charges, are rapidly improving.

The *Times* man forgets to mention, whilst on Latchmere Baths, that these dreadful Battersea workmen have dared to dispense with a water company bill of £600 per annum by sinking a well, the property of the council, that gives them the necessary supply for less than £100. He forgot also to mention that its sterilized milk depôt is becoming self-supporting in a short time, and has been blessed by the Coroner, approved by the doctors and the *Lancet* and has certainly reduced the infantile death-rate, which the dreadful Labour Leaguers are determined to still further diminish.

The statement about Nine Elms Baths is equally misleading. The *Times* investigator, if he had inquired further, would have ascertained that the loss on this bath could have been wiped out if the £4000 a year, or 1*d.* rate, which the council now spends in repairing defective private combined drainage out of the public funds, had not been saddled upon the parish by the house-agents who run the Municipal Alliance, and wish to ruin the parish. It is true there is a loss upon the Morden Cemetery, which is a new burial-ground of enormous size and with low fees; but Battersea prefers to make a dividend of better health out of the living rather than a profit out of the prematurely dead. The Labour Leaguers actually had the audacity to ask the railway company for cheaper railway fares for the mourners, and, as with nearly all its attempts, it really

succeeded. The borough would, however, bury the Municipal Alliance at a loss, to prevent their emissaries from misleading a great paper like the *Times*, that might, before publishing these libels, have seen the responsible officials and members of the borough council. If not too late, I will give the authors of the articles a few days to correct their mis-statements by viewing the parish with them and displaying its attractions and unfolding its well-kept accounts.

The greatest inaccuracy of all is that the borough loses over £3000 a year over the men's sick club. The fact is, the borough council gave £250 last year for a fund to which the men contribute 4*d.* per week. Of the 624 average membership this year, 21 only at this moment are on the fund. Considering the character of occupation and age of men, none under 40 being engaged on roads, this is not bad. This is allowed and approved by the Local Government Board. This is a sample of the allegation that passes for criticism in the *Times*, which seems to me very much "out of joint." Here and there in the *Times* articles on Battersea is disclosed the source from which the inspiration is derived. I have to meet it at every L.C.C. and borough council election, and presumably this last criticism is intended for local use by the dispossessed Moderates at the next Parliamentary election.

I have not the least fear as to the result, because concurrently with refuting the *Times* attacks on democratic government in this district, in the main prejudiced, partial, or untrue, I intend to advise those with whom I work to legislate for the parish as a whole, and if, as on one or two occasions, this is not done in the general interest of the community, I will withhold what support I can command, and, if necessary, actively oppose any party or candidate who could act or would attempt to defend the purely imaginary condition of misgovernment which the *Times* has fabricated.

The fact is a great paper has been befooled by a few discredited and defeated people, who have stuffed the ears of the *Times* correspondents with fables, filled their mouths with

libels of a district that, with all its shortcomings, as competent observers can see, is a model to the west and an exemplar to the east.

In all that Battersea and its Labour majority does for the improvement of its community by the money its generous rate-payers place at their disposal, I believe that better value is given in return by officers, workmen, and councillors than in any district in London.

I say that deliberately after having given five weeks of my Parliamentary vacation to visiting all the districts, parks, works, and other public institutions all over London.

In spite of a few blunders that have been checked, a few errors of judgment, curiously by the very section the *Times* picks out for special distinction, the borough council still enjoys the confidence of the electors ; but has earned the curses of the opponents of all that is good for the parish and for London.

The attack of the *Times* has failed to impress the district, because it is but a *réchauffé* of flat, stale, and unprofitable mendacity that failed at the last elections for L.C.C. and the borough council, and is mainly directed, politically and personally, against myself. From the collection of house-agents, slum-owners, publicans, and others that compose the declining Municipal Alliance we expected nothing better. But from a great newspaper that is still a power when it dares to rise to its great traditions we had expected dignified correction when proved to be wrong, sensible advice when doubtful policies were under discussion, and cultivated instruction when inexperience prompted a wayward policy.

But instead of a dignified and well-informed reminder of duty, obligations, and the responsibilities of Labour to the community, which we could have respected, and where true and applicable sincerely adopted, we have had a wanton attack, inspired by local malignants, prompted by political faction, in the interests of private monopoly that too long has dominated the life of our great city. In the movement

called by the *Times* "Municipal Socialism," it suspects that this is an attempt of a class to capture power, fill offices, spend other people's money in the interest of a special class to the detriment of the community as a whole. This is what the contractor, the trust, the syndicate, the resultant "Boss" and "spoils" system have produced in many American cities.

Municipal Socialism will avoid that danger in Britain, because the incentive for company franchises, the fruitful source of corruption everywhere, even in Parliament, will not exist; because the town will own the trust, instead of the trust owning the town.

In so far as Battersea has secured the ownership by its own ratepayers of what is left to inefficient and costly private enterprise elsewhere, Battersea has done well.

The movement amongst workmen for a greater share of the blessings that municipal life confers on society as a whole is not a disordered scramble for office, patronage, or *largesse* under the guise of dawdling service or perfunctory labour. For Labour there must be no "Miching Mallecho;" for the community none but loyal and strenuous service.

It is a revival of the old-time enthusiasm for a richer, fuller civic life as a means of lifting themselves from the pit of Tophet into which past neglect consigned them, private enterprise enthralled them; and from which in raising themselves they deserve better than the gibes and jeers of the "Joe Millers" of the Liberty and Property Defence League in the columns of the *Times*. If in this upward movement of a people, for the benefit of the race, for something better than hovels to live in, drink as a diversion, monotonous toil as a livelihood, there has been, as at West Ham and elsewhere, strong language, in some cases provoked by the present snobbery and past jobbery of Tory Bumbledom, it is but a rough incident, a mere stumble, in the stride of a people from the cringing, dependent period of monopoly tutelage, to the higher life of the craftsman citizen of a free community.

In that general movement for a brighter, better London,

Battersea deservedly stands in the forefront of municipal progress; and for that worthy cause Battersea Labour honestly works, and its workmen, without patronage or corruption, will ever honourably and fairly strive to lead.

Yours truly,
JOHN BURNS.

September 23, 1902.

The following was the municipal programme given in Mr. Burns' election address for the London County Council election of 1898.

If elected, I will, as heretofore, devote my time to the Council's work, and am in favour of—

1. The extension of the powers of the Council, so that the City, with all its funds and endowments, be included in and used by a real Municipality for London.

2. That all monopolies, such as gas, water, tramways, omnibuses, markets, docks, river steamboats, and electric lighting, should be municipalized, and the profits, amounting to £4,000,000 annually, or three times the Council's revenue, devoted to public purposes.

3. Establishment of municipal hospitals in every district, and control by the Council of those which already exist.

4. Artisans' dwellings, as now, to be constructed and owned by the Council.

5. Enlargement of powers so as to enable the County Council to undertake the organization of industry and distribution, especially in those departments dealing with the necessaries of life.

6. Rigorous enforcement of Public Health Acts, and efficient sanitary and structural inspection of dwellings and workshops.

7. The organization of unemployed labour on useful work at trade-union wages.

8. The direct employment of all labour by the Council at eight hours per day at trade-union rates, women and men receiving equal pay for equal work. Nine years' experience

has proved that contract work, however well supervised, does not produce such good buildings and workmanship as the Council has secured by its own workmen.

9. Direct control by the Council of the five millions of money now spent, and too often squandered, on useless officialism and feasting by charitable institutions and City companies.

10. The police of the City and Greater London to be controlled by the County Council.

11. Cumulative rating, the taxation of ground landlords for the relief of the occupier, and the provision of new sources of revenue. Sevenpence—half our present rate—now goes to pay the old debt left by our predecessors, thus depriving London of many necessary improvements.

Besides these measures, I will work and vote for any plan that will enable London to reduce its poverty and brighten the lives and increase the comfort of its people.

The following is Mr. Burns' Parliamentary programme as given in his election address of 1900.

As a candidate, dealing with immediate questions, and asking your votes, I am in favour of the following :—

Home Rule for Ireland, and such measures of legislative independence as the Irish people may demand for their political, social, and industrial emancipation.

Payment of members and election expenses.

Adult Man and Woman's Suffrage, and drastic amendment of Registration Laws, Second Ballot, and Referendum.

Triennial Parliaments.

Abolition of the House of Lords and all Hereditary Authorities.

Conferring upon the London County Council all the powers enjoyed by other municipalities, and giving to London a unification of complete municipal self-government, with power to acquire all existing monopolies.

Wider powers to Local Authorities to deal with Housing of the Poor, and the creation of Fair Rent Courts.

Alteration of the incidence of taxation, so that the ground landlord, the owner, and the rich, shall pay their just proportion of taxation.

Disestablishment of the Church.

The Legal Eight Hours' Day as the best means of securing work for all, overwork for none, the avoidance of strikes, reduction of the rates, and giving permanent employment where demoralizing casual labour now prevails.

Raising the age of child labour, and placing all trades within the scope of the existing and future Factory and Sanitary Acts.

Alteration of existing Poor Law, and diversion of its funds to some scheme of Old Age Pensions that, by cumulative or graduated income-tax on the rich, would give sustenance to old people without pauperization.

Giving to localities absolute and complete power in deciding upon all questions relating to the drink traffic by Direct Veto and Local Option.

The recognition of Trades Unions, the abolition of sweating and subletting, the payment of union wages in all Government Departments, and the checking of waste, jobbery, and extravagance wherever found.

XX

SOCIALISM AND CO-OPERATION

By E. Anseele

An address delivered to a meeting of French Socialists in Paris in 1900.

Edouard Anseele is the son of a working bootmaker, and began life as a compositor at Ghent. He started in 1873, with a handful of friends, the Ghent Socialist Co-operative Society, "Vooruit;" which from the smallest beginnings has come to have nearly 10,000 members and over £25,000 capital, with premises which are the finest in Ghent. There is now a Socialist co-operative in Brussels on an almost equal scale, and of the 1700 co-operative societies in Belgium most are Socialist. All Belgian Socialist activity centres now around its "Maisons du Peuple."

The following address gives some idea of the all-round manner in which these Socialist co-operatives try to benefit their members, providing entertainment, education, medical care, funds for the Socialist press and party, and premises for trade-union meetings.

I come to plead before you for the marriage of two ideas, which some years ago were thought incapable of uniting—Co-operation and Socialism.

In a meeting at Brussels some time back, I made a comparison. The Co-operative Socialist movement which we—my friends and I—have created in Belgium might be likened to the union of a sempstress and an artist. She, the sempstress, wants a larger life than her shop and her trade; he, the artist, wants his soup served to the minute and his cooking done reliably and regularly on a plentiful scale, to enable him to fling himself

The alliance of Socialism and co-operation.

into the world of the most daring creations. She has had her trials, the poor sempstress. She was looking after her little household with a prudence which not many ministers of finance display in many countries; while he took it into his head to consort with wrong people, or rather people with wrong ideas—revolutionists and Utopians—and to spend the money so hardly earned in meetings and manifestations and for undertakings which, after all, yield no income. She was annoyed, and now and then she would say, "I'll stop payment." And then he explained things; talked of the new world, of the nobler ideal, of a great revolution in ideas, of universal changes, of things which she understood very little but felt very much; and she would say, "I love you more than ever; I'll go on paying, only—don't ask for too much!"

In Belgium the cause is won. They are married, and from their marriage lots of children have been born—lots more even than in Zola's novel *Fécondité*. But the case is far from being won here in France. No more is it in Germany, much less in England. On the one hand, people blame Co-operation for being Socialist; on the other, they blame Socialism for being Co-operative. And yet in Belgium the marriage is such a success, its offspring is so sturdy and numerous, that we have even (again as in Zola's novel) reached the colonizing stage—which has brought me here.

The Anti-Socialist co-operator.

Co-operators who are only co-operators say: No Socialism in Co-operation; Co-operation and nothing else; grocery, bread-baking, drug-selling—that's all; soup at a penny-halfpenny, bread at twopence-halfpenny—beyond that, nothing. We say: You are wrong. And, my bourgeois friends, note that we can discuss the subject with you; we are as good men of business as you lovers of pure Co-operation. Look at our bread-factories, just as successful as yours, and perhaps more so, because people can be thorough-going reformers and remain good men of business. Well, I say you are doubly wrong, from the moral standpoint and from the material. Co-operation has to be Socialist. And why go

wrong? Take the moral standpoint first. What is Co-operation, unless it is a struggle, not merely for the immediate bettering of one's lot, but for the transformation of society in a higher sense? Otherwise, we should have simply to endeavour, by competition, to get our wares as cheap as yours. But Co-operation is a great work of reform; and to create, maintain, and enlarge a great work of reform, you want the sacred fire among those who take part in it. Socialism supplies that sacred fire. And if with us that union of which I spoke just now is so strong and indestructible, if with us our enthusiasm is as great as our daring, it is, thanks to the sacred fire, that Socialism has put into our hearts and minds. Secondly, you are wrong from the material standpoint. Do you want a striking example? Here is one. Suppose all the French co-operative societies, Socialist and non-Socialist, joined; suppose them as rich and strong as all the co-operative societies in the world put together; they never, never, never—not if they had the greatest business men, the greatest financiers, the greatest accountants at their head—they never could, of themselves alone and without exerting pressure in the political sphere, lower the price of bread in the same proportion as the protective tariff law in France has increased it by putting a seven-franc duty on the import of foreign grain. In vain, you co-operators pure and simple, in vain you may want to cut a farthing into two; of all your saving, of all your initiative, half or three-quarters or the whole will be annihilated by a single bad law which will raise the price of an article more than by your intelligence and your efforts you can lower it.

That is how the co-operators pure and simple err, both from the moral and the material standpoint.

The anti-co-operative Socialists.

Next there are our friends (and when our friends give it us they do give it us!)—our friends the anti-co-operative Socialists. What do they say, our friends? They fear, it seems, for our work. I like and respect this sentiment, if it is sincere. But what do they fear? Do they fear that Co-operation, which tends to give a

gentler character to the Socialist movement, may check the generous hearts and the broad minds of the other class, and prevent them from coming to Socialism in greater numbers? I think they are mistaken: for precisely through the incitement to gentleness and the practical spirit, which Co-operation gives to Socialism, do I think that the generous hearts and broad minds of the other class will come in greater numbers than before. Do they fear their coming in too great numbers? Are they afraid of the flood of "intellectuals," of generous hearts and broad minds from the other class, pouring into our class? Do they fear that? I do not. I am not afraid either of the wealth in their brains or that in their coffers; and if their ideas help us to find our way, and their coffers help us to travel along it with fewer victims and less suffering, I do not fear the advent of as many "intellectuals" as possible in the ranks of the working-class. In Belgium we have with us "intellectuals" full of talent,—you know about them, and I need not mention names,—fine fellows who in the Belgian Chamber can give some nasty knocks to the champions of their former class. Well, these "intellectuals," full of talent and enthusiasm, and sincere in their faith, can only do good in our midst. And if they wanted to do harm, the conscience of the organized working-class would prevent them in twenty-four hours.

Socialist co-operation and the petty bourgeoisie.

Do they fear, our friends who criticise us, that the petty bourgeoisie may not join us or may leave us? For that matter, let it leave us; it is no great loss. It is not on our side, even if we are not co-operators. Certainly I would not go out of my way to scare the petty bourgeoisie, nor any part of a class which is not my class. But if to set my own class free I am convinced that I must adopt certain tactics, and if it happens that in consequence of these tactics the petty bourgeoisie is induced to leave me or not to join me, I would stick to my tactics, come what may. I have the interests of my class to defend, and it is these and no others that guide my conscience.

Besides, what can we do? What can the little co-operative societies—little compared with the Louvre, or Bon Marché, or Dufayel, like tiny cockleshells beside big transatlantic liners,—what addition by themselves can the little co-operative societies make to the vast economic process which is tending to stamp out the petty bourgeoisie? The great industry has resulted in a lessening of the cost of production; it is logical that the cost of exchange should be lessened as far as possible also. If in this new economic transformation things must happen which hurt a part of a certain class, well, I pity it from the bottom of my heart. But if its elimination leads us to an order better, juster, and more generous for the vast mass of men, well, I throw into the balance the welfare of the majority against the misfortune of a few. Besides, in the development of production have not we, we also, been stamped out? Has not the artisan been displaced by the machine, dispossessed of his technical knowledge, of his trade, to be swallowed up in the factory, which has grown large enough to hold a whole village's population within its walls? To this precarious situation, caused by the economic development I, the workman, have, willy-nilly, to make up my mind. And in the conditions in which I live, I have none too much of my wretched wage by the end of the week. I must be a very sober workman; my wife must be a very thrifty woman; my children cannot be ill twice a year; or else—I get into debt. Suppose, then, I am a workman whose duty, as father of a family, is to take good care of the household interests, and suppose, by a system of buying and selling different from that of the bourgeoisie, I can lower the price of the articles of food on which my family and I subsist, am I to be prevented from doing so by a feeling of solidarity with the petty bourgeoisie? I could understand it, were this class always at our side in all our struggles, sustaining us, encouraging us,—if it were with us heart and soul. But no; a very great part of the petty bourgeoisie is at heart with the enemy, and with us for its pocket. Mind you, I do not say that

systematically. People tell us: "You frighten the petty bourgeoisie." I reply: "I cannot help it; if it wants to join us, it can. What is more, it ought; for after all, I reckon, the life of the petty bourgeois, from the spiritual point of view (I do not speak here of the material standpoint), is an unhappy one. He must always be of his customer's way of thinking, or else he loses him; and if he loses three, four, five customers, his trade is doomed. His whole existence hangs by a silken thread. And it is this miserable life that he wants to keep; he wants to tighten the chains, to stick yet faster in the mud, of the capitalist society, which leaves him this shame of the spirit to earn his bread with. Well, let him endure it.

The fear of making the working-class selfish.

Our friends (those who give it us so often and give it us so hard) say too: "By your co-operative societies you excite the selfishness of the working-class." Well, those who say so are not acquainted with the Socialist co-operative societies. Had they been ever members of one, they would have a different knowledge of what goes on in them. In the Socialist co-operative societies, as in all others, bonuses are divided out quarterly, half-yearly, or annually. Well, I can assure you, not one of these divisions occurs where members receive five, ten, or fifty francs, without there being by the side of the man who pays them out one, two, or three boxes—"For the Socialist propaganda, please!" "For the weavers on strike, for the spinners on strike, please!" "For the Socialist children, please!"—and it is "please" this and "please" that, and of the money meant for the woman's purse or the man's waistcoat only three-quarters goes there. So a quarter of the bonuses goes—of the co-operator's own accord, through the Socialistic impulse which inspires the man, makes him better, warms his heart—to the noble ideas, the large aspirations, which make men not egoists but altruists. That reproach is so false, the truth is so contrary to what our friends the anti-co-operative Socialists say, that do you know what we are obliged to do? With us at Ghent it goes so far that some of our members are—how should I put it? it is perhaps harsh

—bothered by all these kinds of collections, till we have been obliged to make it a condition for every collection in the "Vooruit," that the Central Committee's leave be obtained first. See how selfish Socialist co-operation makes people!

But beyond that, if these friends (whose friendship I may have misunderstood), if these Socialist anti-co-operative friends mean that the ameliorations we secure, the bit of good we do to the workman's family, do harm to the movement, then I lose patience, and tell them that this time they err grossly. What! they say we do a disservice to the working-class? To increase the working-class's comfort is to endanger its cause and ours? Are, then, the poorest the most intelligent and brave and deserving? Is it the wretchedest who know best how to sacrifice themselves for the cause of all? No; the poorer people are, the more they are liable to be brutalized; and if there is anything which raises a man, it is not misery, it is comfort. Wealth makes men bad; poverty makes them brutish: comfort makes them independent. What does increased comfort effect? It not only enriches the man who gains by it, it gives him weapons, for him to go higher and get more; and it gives him besides that ferment, that leaven, which makes revolutionaries, new needs.

The objectors go on: "Yes, that may be so; but selling syrup or putting half-soles on boots isn't, after all, a Socialist's work." Of course not. But if that groups men, what does it matter whether I group them by syrup or by vinegar, provided that I group them? And I shall group them more easily with syrup than with vinegar. Besides, there is another point. Did any one ever think he could ennoble trade? Surely, a thankless, quasi-impossible task. Yet we have ennobled trade. Trade, says Dumas, is other people's money. It is not so with us. There is no overcharge, or, if there is, it comes back to the purchaser of the article, that is, to all the class who suffer and fight for new ideas. We ennobled commerce when I proposed that the "Vooruit" should establish free pensions for all its members. I said: "That seems almost chimerical;

it is not easy; but aren't we accustomed to doing things far from easy?" And I said again to my comrades: "But did you ever think it possible, ever conceive it humanly possible, to get a pension while having one's old boots mended, or buying a litre of milk or a kilo of bread?" "No," they replied, "that's a new thing." "Well," added I, "you'll see it." And at the "Vooruit" there are pensions for all members aged sixty after twenty years' participation in the Society; after having bought at the Society's shops 3000 francs' worth during twenty years, you get a free pension ranging from 120 to 300 francs per member per year, which a man's wife can inherit from him. So in buying syrup or vinegar, in having one's boots mended, in buying a present for wife or husband, the New Year's gift for the grandmother, or the St. Nicholas[1] toy for the little one, one is working for the father's pension. But that means ennobling trade; it is one of Co-operation's noble sides; one of its great moralizing sides.

Co-operation need not lower Socialist ideals.

"But," say our friends the anti-co-operative Socialists, "you give the working-class petty-bourgeois ideas." Wrong again. I ask those of you who have paid our co-operative societies a visit, whether you can be inspired with petty-bourgeois ideas on entering their fine premises, as fine as museums, their halls and shops, as spacious as cathedrals. I ask them, can the workmen who goes in there and says, "There is something of *me* here, *I* am part of the class which has made these great things"—I ask you, does that man feel a petty bourgeois? No; he feels himself one of the new Grand Army, which will not go to plant eagles across Europe, but to plant the landmarks of the new world across the universe. Petty bourgeois? No, no; "petty" people do not do these things. And recollect how we started at Ghent: a handful of the poor weavers, whose misery Heinrich Heine has sung, whose life of sorrow and whose outbursts of revolt the German playwright Hauptmann has displayed. Recollect what poor wretches we were,

[1] St. Nicholas is a Belgian counterpart of the English Santa Claus.

without money, without premises; for it was to be without money to have but 85 francs 93 centimes[1] subscribed capital, and it was to be without premises to have a cellar; with an old kneading-trough, an old shovel, an old baker, not even a cart—a big basket—some few loaves in it; and, tally-ho! off we started. Well, when with those resources, that beginning, those rudiments, you do what has been done at Ghent—what, also, under similar conditions the Brussels workmen have done, —I think you can say, that a work which has created all that, which has thus transformed wretched weavers into apostles of the new cause, that this co-operative work does not inspire petty-bourgeois ideas. Really, how our friends do give it us, and give it us hard!

And what, after all, is the aim of these friends, the anti-co-operative Socialists, and what, really, is ours? It is the organization of the working-class, to do with it what Archimedes was unable to do. You know, that old Syracusan architect said one day, "Give me a fulcrum, and I will find a lever to lift the world." Well, Socialism has found the fulcrum and the lever. The fulcrum is equal rights; the lever is the organized and conscious strength of the workers, which will lift the world and bring a new order out of it. That is our aim. Then I ask my friends, how can Socialism, allied with Co-operation—the artist married to the sempstress—how can it hurt the organization of the workers?

Co-operation enables Socialists to get at once to work.

Suppose I have a working-class audience, purely working-class, the sort of people we are to organise, and suppose I speak as well as I can, and that in his turn Jaurès with all his heart and eloquence addresses you, and that between us we send our respective audiences to the seventh heaven. We finish speaking; the audience goes out; we have preached organization, trade-unions, mankind, everything. The audience has gone; follow it. "Ah, how well Jaurès spoke! What an orator! Anseele, too, was tolerable." So they talk and debate, happy, warmed,

[1] £3 8*s*. 9½*d*.

convinced. Afterwards they each go home; and if we take the worker whom I addressed, and who applauded me just before, what does he find? A sick wife, or a sulky mother; or, next day, the master before whom he is isolated weak in his isolation, before whom he is nothing, like the pigmy David without his sling before Goliath. Of all the enthusiasm, of all the fine sentiments, of the aspirations, which one has created in these hearts and heads, there will only remain here and there a single man who is willing to sacrifice himself for the idea, who will continue the struggle without hope of reward, even with the certainty of receiving from his friends more ingratitude than gratitude. He will have the minority with him, and the majority will remain just as it has been for generations.

The minority will remain isolated and without cohesion—and why? Because the groups formed by our warmth, our fire, our enthusiasm, give but little or no immediate advantage. The masses, with their great needs, ask for palpable benefits, which they can, as it were, weigh in their hands, as the gold-merchant weighs his gold in the balance.

This is the weak side of trade-unions. What is necessary for the success of a trade-union, in order that one may reap its immediate benefits? It is necessary: that in each trade at least the majority of the members shall be organized; to be strong against the employers you must have most of the trade's workers, there must be plenty of money, lots of gold pieces in the strong box. To obtain these lots of yellow-boys needs weeks, months, years of saving and suffering, or else the struggle is lost before it begins; and, later, when the crisis comes, there is possibly but half a victory, possibly a defeat; and if, favoured as one may be by the unparalleled prosperity of industry hitherto, one may by a sufficiently strong trade-union, and by the cohesion of the members of the trade-union, snatch some advantages from the employers, yet at the very first crisis we risk the loss of all we have gained.

You must not misunderstand me. I don't want here to run down trade-unions; I am a trade-union maker. I do not

wish to put despair into the souls of those who take part in the trade-union movement. Far be it from me. But I wish to speak of things as they are and as I know them. With friendly societies and trade-unions, their future is always at the mercy of their financial position; how, then, can these friendly societies and trade-unions, which have to stand such severe struggles, put aside funds to build large premises, large rooms for recreation, for all the necessary organizations, and for the Socialist education which the working-class needs, to attain the end towards which it marches? Whereas, when you create a co-operative society like your "Avenir de Plaisance," for example, in any quarter, it is not necessary that the majority of the people in that quarter should become members in order that the society shall succeed. Let us suppose that we are in a city like Paris, where there are 600,000 workmen. One could create a co-operative society in a quarter with 6000 workmen, even with 1000, which, if well administered, gives immediate advantages: the workmen at once receive money, after the first six or twelve months, and their wives receive with them—their wives, that is to say, the other half, the most backward half, of our movement, the part of the working-class most dominated by priest and capitalist. And this you count as nothing? To find a means of organization which, instead of frightening the women, instead of alienating them, attracts them, reconciles them with your opinion, your ideal, your party, you count that as nothing? I look upon it as more than the half, because woman is, in fact, for man, more than the half.

Through Co-operation Socialism can envelop the whole life of the workers.

Trade-unions and friendly societies cannot build large premises, it is the exception; but larger co-operative societies, like the Ghent "Vooruit," the Brussels "Maison du Peuple," or the Paris "Avenir de Plaisance" and "Egalitaire," can easily do so; and if they have wise managers, they can build their premises, as, for example, has been done with the "Avenir de Plaisance," like the ancient churches, where side by

side the praises of God were sung and the butcher and the grocer trafficked. They can put the altar in the middle of the grocery-shop; and thus the complete union of Socialism and Co-operation is really achieved. Understand me; later, as things progress, that must change. The temple must not be in the grocery-shop, but outside; and between the two there must be assembly-rooms for the trade-unions, large reading-rooms for every one, and libraries. We require more; we require Co-operation, as we regard it, to be like the Roman Church. It must lay hold of its man as soon as he comes into the world, and say, "Welcome, little one;" then lead him on to the end of his life, till the moment when he leaves it for ever. From the cradle to the grave Co-operation and Socialism must never leave him. All his material, his moral, and his intellectual needs, his needs as a man, or hers as a woman, this new church of the proletariate must supply in full; that the child of the people may be dedicated from his mother's womb to the sole defence of interests which are his own. To-day we have the great misfortune of being nearly all our lives in the hands of those whose interests are opposed to the interests of our class. Suppose I am born a workman—my father a miner, a tailor, an artisan, or an agricultural labourer. Scarcely have I left my mother's breast when I am sent to the *crèche*—established that my mother may go working, and sweat to supplement my father's too low wage—established that the whole of the working-class family may be exploited for the gain of the capitalist family. From the *crèche* I go to the school, whose programmes have been drawn up by the hostile class, not to make a man of me, but to knead my brains as a baker kneads his dough, to make a slave of me. From the school I go to the workshop, where my whole mind, my whole producing strength, is let and sold down to my last drop of sweat to the class which is living upon my class. At twenty I leave the workshop, and they send me to the barracks, that some day I may die on a battlefield for thrones which are not mine.

That must be changed (*A voice:* "Let us hope so"). I do hope so. And why am I calm and hopeful? Because, you see, there we are, in poor manufacturing towns with wages of black bread, workers of the great, the middle-sized, or the small industry, and we know well enough, that if the whole mass of workers is not yet conscious of its rights and its duties, and has not the indispensable managing capacity to direct production and exchange, to rule the world, to eliminate wholly the ruling class and put our own in its place, that vast task of transforming the workers' minds will take a long time. And then, like all men or bodies of men who have given themselves heart and soul to a great cause, we have the virtues indispensable for preserving our enthusiasm—patience and faith. I am not ashamed to say I am patient. Things do not move so quickly in this world. I know we want patience; I have patience; I have grown up in the patience that misery has forced upon me. The patience, which the bourgeoisie has given to me, I keep for our battle against it and for our future victory. The world must be ours—we workers with brain or with hand; and we say to the bourgeois, "You shall labour, or there shall be no room for you." They talk of revolution; we are not such radical revolutionaries. We want but to change one word, one single qualifying one; to change the system of the bourgeoisie into the system of the workers. That is all we want to do. And you cry out at a single word! Yes, we want *the system of the workers*—those who labour put in the place of those who are paid but do not labour. Our demand is as plain as "Good-morning;" it is that in all factories and farms, on every ship, in every management, it should everywhere be the workers who through their delegates give the orders, the workers who make the law of nations and the law of workshops. For our attaining that, bless Co-operation. For the more I think of it, the more I see that Co-operation is forwarding the long-looked-for hour, when the kingdom of Socialism shall come.

Co-operation enables the Socialist to be patient.

See to-day: a church in every village, the people nowhere. There is a priest inside every church, but very often there is no school opposite. Well, beside every church, in every village, and in the quarters of the large towns, must rise a House of the People.[1] I should like to show our friends the anti-co-operative Socialists of France, who give it us so often and so hard, I should like to show them in prospect the photographs of all those Houses of the People in the thousands and thousands of French villages. Do you know what would happen? There would be no more contentions; they would fall into each other's arms, ready to do battle once more. We saw that in Belgium. Yes, at Ghent, a town with 165,000 inhabitants, we have five large premises. There are, I believe, twenty-five Catholic churches. And opposite them already, since 1873, five Socialist churches. In twenty-seven years (the Catholics have been there centuries) we have done that. You see, we shall soon catch them up.

The possibilities realizable through "Houses of the People."

Would it not be admirable to have in every quarter of Paris a beautiful large House of the People; and one, too, in every commune in every department of France? You would depend no longer on a café-keeper, on a proprietor, who thinks the right of lording it exists in every constitution, because his right of property suppresses all rights and all constitutions. Would it not be fine to organize in every co-operative society workmen's education—a trade school for workmen, a trade school preparing the managers of production, distribution, and exchange in the future, when the bourgeois management of to-day shall have disappeared? And what excellent results will be obtained in Houses of the People, where every hour, every minute, every second, all the vices and weaknesses of the poor are driven out, as some day all their enemies shall be. War on alcohol! War on the spiritlessness of our own class! War on all that makes us less good, less great, less

[1] The name given by the Belgian Socialists to their co-operative establishments.

human, that robust virtues may grow in the heart and head of every man and every woman.

Yet another thing must be looked for from these trade schools. I will explain. Working for a master is sometimes very difficult, especially to satisfy him, because he stipulates for so many things. You remember Figaro's saying: "For the virtues which masters require in a servant, very few masters would be worthy of being one." Working for a master, then, is difficult But for many workmen working without a master is still more difficult; and that is what we must teach the workers—how to work without a master. That is one of the reasons why in many trades co-operative production cannot succeed; that is what we must get the proletarians to learn—to master themselves, to work of themselves, without having forced on them the will of an authority.

"Learning to work without a master."

What I am going on to say will, perhaps, draw down an uproar on my head. I shall say it all the same. I say there must be order in industry, order in the factory, discipline in labour; the labourers must know that it is their duty to push on the production of all for the gain of all. If only every one had a character of intellectual and moral strength, strongly equipped with professional skill and abounding in energy! But find me such a rare bird. Find the manager who can be employed in a productive co-operative society. Moral qualities and knowledge of the trade are his only means of influence there. Find me this paragon of a manager, and find a hundred of them combining all the superior qualities which make a man superior in his own place, which make him one of the smiths who shall hammer out the new world. Find me that in every village, every quarter, every trade. Alas, no; the working-class, we must say it out loud, has not yet reached that point as regards either personal qualities, technical knowledge, or professional knowledge of trades. That is why the distributive co-operative societies, which help to form and support the productive ones, are of immense benefit and

service to the working-class education, which should impel the worker to work for himself, without a master and without fear. That is the great practical end of distributive co-operation and of productive co-operation.

And now they keep saying to us, "You will fail." That depends on what you are asking for. If you think I want by distributive and productive co-operation to solve the social question, you are strangely mistaken. I know, my friends the anti-co-operative Socialists (who gives it us so often and so cheerfully), that the co-operative societies will in vain realize all imagined advantages; they will never have enough capital to buy out the whole fortune of the capitalists of to-day, to-morrow, and the day after. I know as well as you that the complete emancipation of the toilers is only possible by the expropriation (qualified or unqualified—peaceful or violent—with or without compensation) of all the means of production and exchange. I know all that. But it is irrelevant. Will your trade-unions *alone* conduct you to this end? Will your political party *alone*, without trade-unions or friendly societies, do so? The real question is: Do Co-operation allied with Socialism and Socialism allied with Co-operation work for the hurt of the working-class or for its victory? To that question I answer, "Yes," fully and boldly. "Yes, Co-operation is working for its victory." I say yes, because in Belgium Co-operation and Socialism combined have achieved wonders. I say yes, because there, where Co-operation is so strong, you may say regarding purity of principles that the Belgian Labour party, to its honour, is as pure as the purest Labour party in the world. I say yes, because there in Belgium Co-operation does so well and presents no danger, and because there is no reason why it should not do as well amongst you.

Limits to possibilities of Co-operation alone.

Great advantage of combining methods.

I do not want, you know, to force my tactics on you. Tactics depend on a thousand different conditions, which must be carefully looked at. All the same, my method has caught

on in North France; and it pays for propaganda work. How would our comrades in the North get on without their co-operative societies, especially at election times? I wish some day one of our friends, the anti-co-operative Socialists, would be present at one of our general meetings at Ghent. We had a few weeks ago ten thousand strikers among us, thousands of flax-spinners, and the carpenters' lock-out, and there was a general meeting at the "Vooruit." I was then, as you are now, sitting listening, and they were there in the hall, thousands upon thousands. They said: "You know, there's the strike" —"Yes, yes"—"That means money"—"Of course it means money"—"The Society will give something"—"All you want," was the reply; "you have free course, you can use the chest as largely as you wish, according to circumstances." And after results like that, people come and say that Co-operation lessens the Socialist spirit, the class-consciousness, the class-war, the spirit of revolution in the proletariate. How untrue! And it is the same at Brussels, the same at Jolimont, at Liége, at Bouvy; go north, south, east, or west, you will everywhere see big bakeries topped by the red flag.

I am glad to be at Paris, this incomparable city, where I have enjoyed visiting your rich exhibition; but above all the splendours I have seen something finer—I have seen Socialists who, after a debate at the Co-operative Congress, have joined hands, embraced, and united in the sacred cause of the proletariate. That is finer than the exhibition. I saw when our friend Léonard, of Charleroi, had shown all that Socialist Co-operation in Belgium had achieved from the standpoint of our great ideal, I saw when Jaurès contributed the keen insight of his deeply philosophic mind and the stirrings of his warm soul,—I saw the entire hall rise like one man, every arm meeting, in unity. Unity in the workers' cause; unity for its triumph.

And now go to work, my co-operative friends. Men will throw stones at you. Never mind; they threw mud at me. A shake, and it falls off you. I believe, I am sure, that you are very much on the right road. Try to have practical

assemblies, family meetings like that which I have attended for the past few days at Paris. Try to let these meetings of comrades shed the balm of brotherhood over the sore places of recent disputes, that at last unity may be brought among you; and then the France of past ages will be once more what she should be—the vanguard of the proletariate marching to win the world.

XXI

THE POLICY OF INDEPENDENT LABOUR

By J. Keir Hardie, M.P.

These two articles illustrate the particular work in the Socialist movement which Mr. Keir Hardie has especially done. That of 1894 seems worth reprinting, as showing the consistency with which he has advocated a view which is now far commoner among workmen than it was then.

J. Keir Hardie was born in Scotland of working-class parents. He worked in the mines from his seventh to his twenty-fourth year, and in 1880 became Secretary of the Lanarkshire Miners' Union. He entered Parliament for West Ham in 1892, and in 1892–3 played a chief part in the birth of the Independent Labour party. He was defeated in West Ham in 1895, but in 1900 re-entered Parliament for Merthyr Tydvil.

I.—Clearing the Way.

(*Labour Leader*, June 16, 1894.)

The question is frequently put to the Independent Labour party, why don't you unite your forces with the Radical party? It is pointed out that I.L.P.—ism and Radicalism should make common cause against Whiggism; and that were this done, these two advanced sections would be practically masters of the situation. On the face of it there seems something to be said for this view of the matter. But it is double-sided. At present Radicals win elections for Liberalism, whereupon the Whig element in the party sets itself

to exploit Radicalism for all it is worth. When Liberal Cabinets are being formed, the Whig party insists upon being the dominant party therein. If the Radicals attempt to dispute the supremacy of Whiggism, the Whigs threaten to go over to the Tories, and thus place Liberalism in a hopeless minority. This has gone on for a quarter of a century at least, and, so far as we can see at present, will go on for a long time again, unless something happens to bring it to an end. Now, the Radical party wish to use Labour men, as the Whigs hitherto have used the Radicals. The Whig cry to the Radicals has been, "Join with us to beat the Tories," and the Radicals, having accepted the invitation, found that they did the fighting, whilst the Whigs raked in the spoils of victory. Were the Independent Labour party to accept the invitations so plentifully showered upon it by the Radical party, a similar state of things would prevail. A much better way is that which the Independent Labour party has adopted—to go straight on its own course, gathering strength as it goes, until men who pose as Radicals will be compelled to decide between Whiggism and I.L.P.—ism.

Besides, there is another aspect of the question. We are asked to come into the Radical ranks, and we may use the Radical party to further the objects we have in view. Much has been said and written in defence of this method; and it is on this assumption that many men, who are as much in earnest as the most advanced I.L.P.—er, still remain within the ranks of Liberalism. It does not seem to occur to those men that two can play at the game of having a party. And whilst they fondly believe that they are making use of Liberalism in the interests of Labour, the managers of the Liberal party are under the equally comfortable belief that they are using Liberalism in the interests of themselves.

The struggle for supremacy between these two forces is very unequal. The minds of the workers are so engrossed in the struggle for a bare existence, that they have neither time nor opportunity for cultivating the commercial instincts. They

have no wealth wherewith to hire cunning lawyers to scheme and plan for them. They cannot offer posts of honour or emoluments to those who are their friends. At best, all they can say is, that those who are with them are serving humanity by their devotion to principle. On the other hand, there is wealth in abundance—ever to command all the unscrupulousness which lays itself out for sale in the political as in the commercial world. Men whose whole life has been applied to develop their commercial instincts—cunning lawyers, versed in the art of quibbling and making black appear white—social position, and distinction as reward for those who serve the party faithfully, and above and beyond all, a pecuniary interest in preventing the people seeing that the private ownership of the wealth possessed by the privileged class is at the root of every social injustice. It is not difficult to foresee the outcome when these two sections are endeavouring each to best the other. And it makes one incredulous when one hears Labour men boast that they are using, or are going to use, Liberalism to achieve Labour reforms. The spectacle of a small community of kids in the midst of a horde of wolves, comforting themselves with the belief that they were about to use the wolves for their own advantage, would not be more absurd.

II.—Federated Labour as a New Factor in British Politics.

(*North American Review*, August, 1903.)

The Independent Labour party is a Socialist, and not, as its title might seem to imply, a purely working-class organization. It aims at the creation of a Co-operative Commonwealth, founded upon the socialization of land and capital. Its methods of realizing its objects are, to educate the community in the principles of Socialism and to secure the return to Parliament and to all elected bodies of members representative of its principles. Since its formation in 1893, it has been regarded

as the stormy petrel of politics, and has kept itself well in evidence mainly by running its own candidates and by missionary zeal and activity. The actual paying membership of the party is returned at 13,000, including a fair proportion of the educated and well-to-do classes who see in Socialism the only hope for solving the social problem. The yearly income of the party averages £25,000. As the bulk of this comes from the wage-earning classes, and as the payments are purely voluntary, this sum argues a considerable degree of sincerity. In addition to the regular membership named above, the party commands the active political support of that very large and rapidly growing section of the community which has lost faith in the Liberal party as an effective instrument of reform. The energies of its members are tireless, and its political resources are apparently inexhaustible. It is a standing illustration of the truth of John Stuart Mill's axiom, that in politics one man with convictions is equal to ninety-nine men who have only interests.

Prior to 1893 there had been no sustained effort to create a Labour party in Britain. In the early sixties the old International Working Men's Association promised for a time to become a power, but it went down under the Continental influence by which it was dominated. During the seven years ending 1874 there was great political activity among trade-unionists, who were at that time endeavouring to secure full legal recognition for their organizations. The effort culminated with the running of seventeen Labour candidates at the General Election in the year named and the defeat of the Liberal party. The year following saw the passing of the Bills which secured full recognition to the trade-union movement; and, the object aimed at having thus been gained, the leaders of the movement lapsed back into the ranks of their ordinary political allegiance, and there the matter ended.

Nothing more was done until 1887, when the Labour Electoral Association came into being. It succeeded in

existing, in struggling fashion, for a few short years, and then collapsed, without leaving any indication of its ever having been. At that time there was considerable ferment in the Labour world, and the Labour Electoral Association, with its half-hearted policy, alienated the support of the active spirits by its feverish anxiety not to offend orthodox political opinion.

Somewhere about 1880, William Morris and H. M. Hyndman commenced their Socialist propaganda; and the Social Democratic Federation, modelled largely on the lines of the German organization of that name, was formed, and for a time enlisted in its ranks most of the men who have since become powerful in connection with Labour politics. But it failed to hold them. William Morris withdrew and formed the Socialist League, and John Burns and others of equal standing left, owing to disagreement with the tactics which were being pursued.

The great Dock Strike of 1888 may be taken as the starting-point of the new Labour movement, as, with the single exception of John Burns, all the men who came to the surface during that conclusive period were subsequently identified with the inception and propaganda work of the Independent Labour party. At the General Elections of 1892 a number of Labour candidates were run by local organizations in various parts of the country; and, the year following, at a conference held in Bradford in Yorkshire, at which one hundred and twenty representatives of various Labour and Socialist organizations attended, the Independent Labour party was definitely launched, and entered upon its career.

At that time the Liberal party was in office, with a small and precarious majority. Trade was much depressed, and tens of thousands of workmen were roaming the country in fruitless search for employment. As is usual at elections, great hopes and expectations had been formed as to what would happen if the Liberals were returned. In the very nature of things, it was impossible that these hopes could be realized; and as the months slipped into years, enthusiastic Radicals, finding that

their party in office was apparently as unable or as unwilling to do anything effective for Labour as their Conservative opponents had been, deserted in thousands and cast in their lot with the newly formed Independent Labour party. At every by-election in an industrial centre the Independent Labour party ran a candidate, with results which surprised friends and opponents alike. In only one case did the Labour candidate come within measurable distance of winning; but in every case the number of votes polled showed the strength of the feeling of discontent which existed in the constituencies. In those days the hand of every man was against the Independent Labour party, which had dared to set itself in opposition to the cherished political traditions of the nation. The press, the pulpit, and the platform fulminated and stormed against the new movement; whilst the usual misrepresentations and silly inventions were freely indulged in, and, of course, as freely believed. The party, however, held on its way unswerving. Its members were enthusiasts, but not mere theorists; there was always a method behind their apparent madness. Inspired by a Socialist ideal, they yet managed to keep their feet firm on solid earth; and the politicians learned that the British workman, despite his well-known proclivities, could be a practical kind of idealist when properly led. At the General Election of 1895 the party ran twenty-eight candidates of its own, every one of whom, including the present writer, was defeated. As showing the state of feeling at that time, I may remark, in passing, that the return of my Conservative opponent was announced, at the National Liberal Club, as a Liberal triumph. The Independent Labour party vote represented just under thirty per cent. of the electoral strength in those constituencies which its candidates had contested. In 1900 we had the Khaki election, when, despite the fact that all its candidates were Pro-Boers, and as such anathema to every "patriotic" voter, the party vote showed a largely increased following, and in one case—my own—won a seat from a Liberal who had given an enthusiastic support to the war in South Africa.

Up to this stage, 1900, the idea of seeking to create a Labour party had, in the main, been confined to the ranks of the Independent Labour party. Where a trade-union had sought representation in Parliament, the candidate was put forward as a working-man Liberal or Conservative, as the case might be. Recent events, however, chiefly the decisions of the law courts in trade-union cases, have led to a new and startling development. The trade-unions have practically cut themselves adrift from their old political moorings, and they are heading direct for the open sea of Labour representation and a Labour party. I have already indicated how the Houses of Parliament gave full recognition and legal standing to the trade-unions. For close upon thirty years the law was assumed to regard trade-unions as voluntary organizations, in the nature of clubs, which could neither sue nor be sued, and as not being entities known to the law, since they were not an individual, a corporation, or a company. Picketing, it was assumed, had also been fully legalized, including the power to "peacefully persuade" men to abstain from working. The strike in all its phases, it was supposed, had been legalized. The decisions of the law courts in recent cases have upset these suppositions. Employers of labour have been able to sue trade-unions as such and obtain damages from the funds, in one case amounting to £23,000 for the alleged illegal acts of the union officials. Peaceful persuasion whilst picketing has been held to be clearly illegal, rendering the pickets liable to imprisonment; whilst the sympathetic strike has been once again brought within the definition of the common law of conspiracy. These facts have naturally alarmed the trade-unionists and forced them into the political arena. With the very existence of trade-unions imperilled, they instinctively feel that they cannot trust either of the political parties to see justice done them.

For years past the feeling in favour of a direct Labour party has been making steady headway within the trade-union movement, but it was held in check by the fact that the ranks

were about equally divided in their allegiance to the Liberal and Conservative parties. Many of the leaders of the unions, on the other hand, had been brought into political conflict with the militant spirits of the Independent Labour party, and, as a consequence, were none too well disposed towards that movement. To the onlooker, the result seemed to be a tangle, escape from which was almost hopeless. Where the will exists, however, the way will usually be found; and so, when legal necessity compelled the trade-unionists to face the situation, they resolved, at their annual congress in 1889, to call an open conference of representatives of Trade-Unionism, Socialism, and Co-operation, to consider what means could be devised for securing more adequate representation of Labour interests in the House of Commons. The conference was held, and what has since been known as the Labour Representation Committee came into existence. Perhaps its objects will best be defined by quoting from its constitution, as amended by the annual meeting this year:—

"1. The Labour Representation Committee is a Federation of Trades-Unions, Trades-Councils, the Independent Labour party, and the Fabian Society. Co-operative Societies are also eligible for membership.

"Object 2. To secure, by united action, the election to Parliament of candidates promoted, in the first instance, by an Affiliated Society or Societies in the constituency, who undertake to form or join a distinct group in Parliament, with its own whips and its own policy on Labour questions, to abstain strictly from identifying themselves with or promoting the interests of any section of the Liberal or Conservative party, and not to oppose any other candidate recognized by this Committee. All such candidates shall pledge themselves to accept this constitution, to abide by the decisions of the Group in carrying out the aims of this constitution or to resign, and to appear before their constituencies under the title of Labour candidates only.

The Labour Representation Committee is financed by each affiliated organization, paying ten shillings for each thousand

members. This is for working expenses. In addition, there is a Payment of Members fund, to which each affiliated organization contributes one penny per member *per annum*, and from which it is expected each member returned to Parliament, under the auspices of the Committee, will be paid £200 a year.

That the time was ripe for this new movement is fully evidenced by the fact, that in England and Wales—Scotland having a separate organization—over 900,000 trade-unionists are now affiliated. The movement, as stated above, is a federation, the basis of which is, that each affiliated organization shall finance its own candidates and become responsible for their maintenance if returned to Parliament, each, however, combining with the others to secure the return of their respective nominees. Thus far, a considerable amount of success has attended the new movement. Since the General Election, it has fought four Parliamentary vacancies, two of its candidates being successful and the other two just missing success. From the outset it has assumed an attitude of rigid independence towards the orthodox parties, with surprising results. The Conservative working-men and their Liberal fellows are finding in the new movement a platform upon which they stand whilst working for the realization of an object common to both—the protection of their unions and the promotion of their interests as wage-earners. The financial difficulty, which at one time bulked so large when the question of Labour representation was being considered, has been solved by a contribution of one shilling per member *per annum* to a Labour Representation Fund. By this means an annual income of not less than £50,000 has been secured. All the principal trade-unions have selected candidates, and these are being eagerly sought after by industrial constituencies. The National Liberal Federation, at its annual meeting a few weeks ago, fully recognized the strength and importance of this new development in Labour politics, and practically advised Liberal Associations in industrial constituencies to stand aside in favour of

Labour nominees when these were put forward. Unless the election be rushed, it is a safe estimate that not less than fifty Labour candidates will enter the lists at the next General Election, under the auspices of the Labour Representation Committee, a fair proportion of whom are certain to be returned. They will not all be Socialists, but they will all be Labour members pledged to the formation of a Labour party in the House of Commons, and to the raising of the Condition of the People question as a distinct political issue.

Circumstances are favourable to the development of the new movement. Apart from the trade-union demands, already referred to, wider issues of greater importance are being opened up daily. The questions of the hour are no longer political, but industrial and economic. The growth of the trusts, the precariousness of employment, the increased cost of living, and the growing desire on the part of the working-class for a larger share in the prosperity of the nation, are all tending to foment a spirit of unrest. Nor is this to be wondered at. On every hand there is evidence of a surplusage of wealth, in which the worker has little share. If there has been a slight increase in wages, there has also been an increase in house-rent and in certain articles of food, which has more than redressed the balance. In the staple industries of the country broken time has become almost chronic; and, whilst this does not diminish the nominal weekly wage, it plays sad havoc with the actual income. Even for the well-to-do artisan, therefore, there is much in his lot of which he has good reason to complain. It does not help him at all to be told that the wealth of the nation is growing at an unprecedented rate; that last year the income of the rich, as shown by the income-tax returns, was £40,000,000 in excess of the previous year; or that in five years the revenue brought to the exchequer from a penny rate on incomes of £160 and upwards has gone up by £600,000, or from £2,000,000 to £2,600,000. This may be evidence of national prosperity;

but, as an individual, the wage-earner does not feel any the richer, nor is his lot in life made any the more easy.

When we leave the skilled artisan, however, we begin to sound an unfathomable depth of poverty. Wages of agricultural labourers are returned by the Government as averaging, for the whole of England and Wales, thirteen shillings and eightpence per week. Out of this miserable pittance house-rent has to be paid and a family maintained. Only in very rare instances is the agricultural labourer permitted to eke out this sum by the cultivation of a little plot of land. The farmers, who have the control of the machinery by which the Allotments Act could be put into operation, are strangely averse to giving their labourers opportunities for improving their condition. There are those who argue in favour of a protective duty on corn, as a means of enabling the farmer to pay his labourer better wages; but these are forgetful of the fact that, in the days of high protection in England, the agricultural wages were little over half what they are now, and that, in common with other workers, the labourer's lot, in so far as it has improved, has done so under the operation of Free Trade. It is not alone the agricultural labourer who is living on the verge of starvation all the year round. Recent investigations, conducted by merchant princes like Mr. Charles Booth in London, and Mr. Seebohm Rowntree in York, the results of which have been since given to the world with a wealth of detailed evidence which permits of no dubiety as to the conclusions, prove that close upon thirty per cent. of the working-class are not in receipt of sufficient income to enable them to obtain, for themselves and their dependents, the standard of comfort which they would receive as paupers in the poor-house or as criminals in gaol. This fact has startled and alarmed people. The comfortable theory that formerly existed, that, but for drunkenness and want of thrift, the working-class would all be contented, prosperous, and happy, has been shivered to atoms; and, for the first time in her long career of self-delusion, England has been brought face to face with the fact

that, despite her world-wide trade, her unparalleled wealth and prosperity, her growing bounds of empire and her political, mechanical, and intellectual progress, there is at the foundation of her society an amount of misery and destitution, due to low wages, which casts a dark shadow over the whole national life, and shows how insecure are the foundations upon which the whole structure of her wealth has been raised. Sir Henry Campbell-Bannerman, the leader of the Liberal party, in a recent speech, declared his belief that twelve millions of our population were always living at or under the poverty line. In plain language, this means that twelve millions of the British people are improperly fed, insufficiently clothed, and inadequately housed. The Census returns tells us that 480,277 houses of one room are registered in England, Scotland, and Wales, and that these contain a living population of 1,571,504. From one to two rooms is a very short step in the social scale; but, on the same authority from which we have just quoted, we learn that forty-four per cent. of the people in Scotland are accommodated in houses of one or two rooms. Speaking with a good deal of practical experience, I assert that, in three cases out of five, the householder of two rooms will be found to be indulging in one or two lodgers, from which it follows that a worse form of overcrowding occurs than when there is only one apartment. With this condition of things staring them in the face, with no hope perceivable of any improvement, there is little wonder that the more thoughtful leaders of the working-class have made up their minds to see how far a Labour party can be instrumental in securing reform. Many of them, although not all, accept Socialism as being not only inevitable but desirable. They reason that, if commercialism, in the hey-day of its prosperity, and with the markets of the world at its unchallenged disposal, has produced such results as those indicated above, it has little chance, now that it has passed its zenith and is being faced with the ever-increasing competition from other countries, to succeed in the future where it has failed in the past. To men who are Socialists, an

Independent Labour party is a logical outcome of their economic faith.

But even those trades-union readers who are not Socialists —and there are many—are equally convinced of the necessity of the new departure. The break-up of the Liberal party has been an important influence in leading them to this position. Free Trade, despite Mr. Chamberlain, is at present the accepted creed of both great parties. On the subject of Imperial expansion, there is little to choose between the two sides; and it is doubtful whether, even with the Liberals in office, the military and naval expenditure, which in a dozen years has gone up from £28,000,000 to £70,000,000 a year, would be materially lessened. There is no evidence whatever that either party has the remotest idea of how to grapple with the social problem and remove poverty from the land. Added to all this, there is a growing feeling that the interests of Labour cannot be adequately safeguarded or protected until there is a Labour party charged with that particular responsibility. Therefore it is that all true trades-union leaders who are not Socialists are equally determined to wean Labour from its political dependence on some other party, and to place it in a position where it can formulate its own demands. These men see how, in twenty years, an Independent Irish party has succeeded in convincing, not merely the Liberals, but also the Conservatives, of the justice of their claims. The Irish Land Bill now before the House of Commons, pledging the credit of the State to the extent of hundreds of millions of money to enable the Irish farmer to buy out his landlord, is a standing evidence of what can be done by an independent and resolute party, knowing its own mind and acting entirely in the interests of the classes it represents, and Labour leaders are determined to make an effort to copy this example.

To conclude, the British working-man is for the movement, thoroughly in earnest about the formation of a Labour party, and he will not be easily turned aside from his purpose. He is realizing as he has never done before, that, with seven-

tenths of the voting power in his hands, he is master of the political situation. With a party of his own, he will play an ever-increasing part in the great drama of politics, and be less easily led than heretofore by the charlatan and the office-seeker.

XXII

PROGRAMME OF THE GERMAN SOCIAL DEMOCRATIC PARTY

Voted at the Erfurt Conference, 1891.

THE economic development of bourgeois society leads by natural necessity to the downfall of the small industry, whose foundation is formed by the worker's private ownership of his means of production. It separates the worker from his means of production, and converts him into a propertyless proletarian, while the means of production become the monopoly of a relatively small number of capitalists and large landowners.

Hand-in-hand with this monopolization of the means of production goes the displacement of the dispersed small industries by colossal great industries, the development of the tool into the machine, and a gigantic growth in the productivity of human labour. But all the advantages of this transformation are monopolized by capitalists and large landowners. For the proletariate and the declining intermediate classes—petty bourgeoisie and peasants—it means a growing augmentation of the insecurity of their existence, of misery, oppression, enslavement, debasement, and exploitation.

Ever greater grows the number of proletarians, ever more enormous the army of surplus workers, ever sharper the opposition between exploiters and exploited, ever bitterer the class-war between bourgeoisie and proletariate, which divides modern

society into two hostile camps, and is the common hall-mark of all industrial countries.

The gulf between the propertied and the propertyless is further widened through the crises, founded in the essence of the capitalistic method of production, which constantly become more comprehensive and more devastating, which elevate general insecurity to the normal condition of society, and which prove that the powers of production of contemporary society have grown beyond measure, and that private ownership of the means of production has become incompatible with their application to their objects and their full development.

Private ownership of the means of production, which was formerly the means of securing to the producer the ownership of his product, has to-day become the means of expropriating peasants, manual workers, and small traders, and enabling the non-workers—capitalists and large landowners—to own the product of the workers. Only the transformation of capitalistic private ownership of the means of production—the soil, mines, raw materials, tools, machines, and means of transport—into social ownership, and the transformation of production of goods for sale into Socialistic production managed for and through society, can bring it about, that the great industry and the steadily growing productive capacity of social labour shall for the hitherto exploited classes be changed from a source of misery and oppression to a source of the highest welfare and of all-round harmonious perfection.

This social transformation means the emancipation not only of the proletariate, but of the whole human race which suffers under the conditions of to-day. But it can only be the work of the working-class, because all the other classes, in spite of mutually conflicting interests, take their stand on the basis of private ownership of the means of production, and have as their common object the preservation of the principles of contemporary society.

The battle of the working-class against capitalistic exploita-

tion is necessarily a political battle. The working-class cannot carry on its economic battles or develop its economic organization without political rights. It cannot effect the passing of the means of production into the ownership of the community without acquiring political power.

To shape this battle of the working-class into a conscious and united effort, and to show it its naturally necessary end, is the object of the Social Democratic party.

The interests of the working-class are the same in all lands with capitalistic methods of production. With the expansion of world-transport and production for the world-market the state of the workers in any one country becomes constantly more dependent on the state of the workers in other countries. The emancipation of the working-class is thus a task in which the workers of all civilized countries are concerned in a like degree. Conscious of this, the Social Democratic party of Germany feels and declares itself *one* with the class-conscious workers of all other lands.

The Social Democratic party of Germany fights thus not for new class-privileges and exceptional rights, but for the abolition of class-domination and of the classes themselves, and for the equal rights and equal obligations of all, without distinction of sex and parentage. Setting out from these views, it combats in contemporary society not merely the exploitation and oppression of the wage-workers, but every kind of exploitation and oppression, whether directed against a class, a party, a sex, or a race.

Setting out from these principles, the Social Democratic party of Germany demands immediately—

1. Universal equal direct suffrage and franchise, with secret ballot, for all members of the Empire over twenty years of age, without distinction of sex, for all elections and acts of voting. Proportional representation ; and until this is introduced, redivision of the constituencies by law according to the numbers of population. A new Legislature every two years. Fixing of elections and acts of voting for a legal holiday. Indemnity

for the elected representatives. Removal of every curtailment of political rights except in case of tutelage.

2. Direct legislation by the people by means of the initiative and referendum. Self-determination and self-government of the people in empire, state, province, and commune. Authorities to be elected by the people; to be responsible and bound. Taxes to be voted annually.

3. Education of all to be capable of bearing arms. Armed nation instead of standing army. Decision of war and peace by the representatives of the people. Settlement of all international disputes by the method of arbitration.

4. Abolition of all laws which curtail or suppress the free expression of opinion and the right of association and assembly.

5. Abolition of all laws which are prejudicial to women in their relations to men in public or private law.

6. Declaration that religion is a private matter. Abolition of all contributions from public funds to ecclesiastical and religious objects. Ecclesiastical and religious communities are to be treated as private associations, which manage their affairs quite independently.

7. Secularization of education. Compulsory attendance of public primary schools. No charges to be made for instruction, school requisites, and maintenance, in the public primary schools; nor in the higher educational institutions for those students, male and female, who in virtue of their capacities are considered fit for further training.

8. No charges to be made for the administration of the law, or for legal assistance. Judgment by popularly elected judges. Appeal in criminal cases. Indemnification of innocent persons prosecuted, arrested, or condemned. Abolition of the death-penalty.

9. No charges to be made for medical attendance, including midwifery and medicine. No charges to be made for death certificates.

10. Graduated taxes on income and property, to meet all public expenses as far as these are to be covered by taxation.

Obligatory self-assessment. A tax on inheritance, graduated according to the size of the inheritance and the degree of kinship. Abolition of all indirect taxes, customs, and other politico-economic measures which sacrifice the interests of the whole community to the interests of a favoured minority.

For the protection of the working-class the Social Democratic party of Germany demands immediately—

1. An effective national and international legislation for the protection of workmen on the following basis:

(*a*) Fixing of a normal working-day with a maximum of eight hours.

(*b*) Prohibition of industrial work for children under fourteen years.

(*c*) Prohibition of night-work, except for such branches of industry as, in accordance with their nature, require night-work, for technical reasons, or reasons of public welfare.

(*d*) An uninterrupted rest of at least thirty-six hours in every week for every worker.

(*e*) Prohibition of the truck system.

2. Inspection of all industrial businesses, investigation and regulation of labour relations in town and country by an Imperial Department of Labour, district labour departments, and chambers of labour. Thorough industrial hygiene.

3. Legal equalization of agricultural labourers and domestic servants with industrial workers; removal of the special regulations affecting servants.

4. Assurance of the right of combination.

5. Workmen's insurance to be taken over bodily by the Empire; and the workers to have an influential share in its administration.

6. Separation of the Churches and the State.

(*a*) Suppression of the grant for public worship.

(*b*) Philosophic or religious associations to be civil persons at law.

7. Revision of sections in the Civil Code concerning marriage and the paternal authority.

(*a*) Civil equality of the sexes, and of children, whether natural or legitimate.

(*b*) Revision of the divorce laws, maintaining the husband's liability to support the wife or the children.

(*c*) Inquiry into paternity to be legalized.

(*d*) Protective measures in favour of children materially or morally abandoned.

XXIII

PROGRAMME OF THE BELGIAN LABOUR PARTY

Voted at Brussels, 1893, this programme is two years later than that of the German Social Democrats. The Declaration of Principles is, perhaps, the most perfect in form and moderate in statement to be found among those of the last century. The three programmes following it are notable for their superior arrangement, their inclusion of what amounts to an agrarian programme, and many minor points of originality, *e.g.* Political Programme 2b and 3c.

César de Paepe, the first great apostle and theorist of Socialism in Belgium, died in 1890. The Belgian Labour party was founded under his auspices in 1885. A revision of the franchise in 1893, following a general strike, enabled it to send 30 deputies to the Chamber. After the partial election of May, 1902, its deputies numbered 34 out of 166.

Declaration of Principles.

1. The constituents of wealth in general, and in particular the means of production, are either natural agencies or the fruit of the labour—manual and mental—of previous generations besides the present; consequently they must be considered the common heritage of mankind.

2. The right of individuals or groups to enjoy this heritage can be based only on social utility, and aimed only at securing for every human being the greatest possible sum of freedom and well-being.

3. The realization of this ideal is incompatible with the maintenance of the capitalistic *régime*, which divides society

into two necessarily antagonistic classes—the one able to enjoy property without working, the other obliged to relinquish a part of its product to the possessing class.

4. The workers can only expect their complete emancipation from the suppression of classes and a radical transformation of existing society.

This transformation will be in favour, not only of the proletariate, but of mankind as a whole; nevertheless, as it is contrary to the immediate interests of the possessing class, the emancipation of the workers will be essentially the work of the workers themselves.

5. In economic matters their aim must be to secure the free use, without charge, of all the means of production. This result can only be attained, in a society where collective labour is more and more replacing individual labour, by the collective appropriation of natural agencies and the instruments of labour.

6. The transformation of the capitalistic *régime* into a collectivist *régime* must necessarily be accompanied by correlative transformations—

(*a*) In *morals*, by the development of altruistic feelings and the practice of solidarity.

(*b*) In *politics*, by the transformation of the State into a business management (*administration des choses*).

7. Socialism must, therefore, pursue simultaneously the economic, moral, and political emancipation of the proletariate. Nevertheless, the economic point of view must be paramount, for the concentration of capital in the hands of a single class forms the basis of all the other forms of its domination.

To realize its principles the Labour party declares—

(1) That it considers itself as the representative, not only of the working-class, but of all the oppressed, without distinction of nationality, worship, race, or sex.

(2) That the Socialists of all countries must make common cause (*être solidaires*), the emancipation of the workers being not a national, but an international work.

(3) That in their struggle against the capitalist class the workers must fight by every means in their power, and particularly by political action, by the development of free associations, and by the ceaseless propagation of Socialistic principles.

I.—Political Programme.

1. *Electoral reform.*

(*a*) Universal suffrage without distinction of sex for all ranks (age-limit, twenty-one; residence, six months).

(*b*) Proportional representation.[1]

(*c*) Election expenses to be charged on the public authorities.

(*d*) Payment of elected persons.

(*e*) Elected persons to be bound by pledges, according to law.

(*f*) Electorates to have the right of unseating elected persons.

2. *Decentralization of political power.*

(*a*) Suppression of the Senate.

(*b*) Creation of Legislative Councils, representing the different functions of society (industry, commerce, agriculture, education, etc.); such Councils to be autonomous, within the limits of their competence and excepting the veto of Parliament; such Councils to be federated, for the study and defence of their common interests.

3. *Communal autonomy.*

(*a*) Mayors to be appointed by the electorate.

(*b*) Small communes to be fused or federated.

(*c*) Creation of elected committees corresponding to the different branches of communal administration.

4. *Direct legislation.*

Right of popular initiative and referendum in legislative, provincial, and communal matters.

[1] Secured in 1899 by popular pressure on the Government.

5. *Reform of education.*

(*a*) Primary, all-round, free, secular, compulsory instruction at the expense of the State. Maintenance of children attending the schools by the public authorities. Intermediate and higher instruction to be free, secular, and at the expense of the State.

(*b*) Administration of the schools by the public authorities, under the control of School Committees elected by universal suffrage of both sexes, with representatives of the teaching staff and the State.

(*c*) Assimilation of communal teachers to the State's educational officials.

(*d*) Creation of a Superior Council of Education, elected by the School Committees, who are to organize the inspection and control of free schools and of official schools.

(*e*) Organization of trade education, and obligation of all children to learn manual work.

(*f*) Autonomy of the State Universities, and legal recognition of the Free Universities. University Extension to be organized at the expense of the public authorities.

6. *Separation of the Churches and the State.*

(*a*) Suppression of the grant for public worship.

(*b*) Philosophic or religious associations to be civil persons at law.

7. *Revision of Sections in the Civil Code concerning marriage and the paternal authority.*

(*a*) Civil equality of the sexes, and of children, whether natural or legitimate.

(*b*) Revision of the divorce laws, maintaining the husband's liability to support the wife or the children.

(*c*) Inquiry into paternity to be legalized.

(*d*) Protective measures in favour of children materially or morally abandoned.

8. *Extension of liberties.*[1]

Suppression of measures restricting any of the liberties.

[1] The liberties referred to are freedom of the person, of speech, of the press, of public meeting, etc.

9. *Judicial reform.*

(*a*) Application of the elective principle to all jurisdictions. Reduction of the number of magistrates.

(*b*) Justice without fees; State-payment of advocates and officials of the Courts.

(*c*) Magisterial examination in penal cases to be public. Persons prosecuted to be medically examined. Victims of judicial errors to be indemnified.

10. *Suppression of armies.*

Provisionally; organization of a national militia.

11. *Suppression of hereditary offices, and establishment of a Republic.*

II.—Economic Programme.

A.—*General Measures.*

1. *Organization of statistics.*

(*a*) Creation of a Ministry of Labour.

(*b*) Pecuniary aid from the public authorities for the organization of labour secretariates by workmen and employers.

2. *Legal recognition of associations, especially—*

(*a*) Legal recognition of trade-unions.[1]

(*b*) Reform of the law on friendly societies and co-operative societies and subsidy from the public authorities.

(*c*) Repression of infringements of the right of combination.

3. *Legal regulation of the contract of employment.*

Extension of laws protecting labour to all industries, and specially to agriculture, shipping, and fishing. Fixing of a minimum wage and maximum of hours of labour for workers, industrial or agricultural, employed by the State, the Communes, the Provinces, or the contractors for public works.

Intervention of workers, and especially of workers' unions,

[1] *Syndicats professionnels*, including unions of employers as well as of employed.

in the framing of rules. Suppression of fines. Suppression of savings-banks and benefit clubs in workshops. Fixing of a maximum of 6000 francs for public servants and managers.

4. *Transformation of public charity into a general insurance of all citizens*—

(*a*) against unemployment;

(*b*) against disablement (sickness, accident, old age);

(*c*) against death (widows and orphans).

5. *Reorganization of public finances.*

(*a*) Abolition of indirect taxes, especially taxes on food and customs tariffs.

(*b*) Monopoly of alcohol and tobacco.

(*c*) Progressive income-tax. Taxes on legacies and gifts between the living (excepting gifts to works of public utility).

(*d*) Suppression of intestate succession, except in the direct line and within limits to be determined by law.

6. *Progressive extension of public property.*

The State to take over the National Bank. Social organization of loans, at interest to cover costs only, to individuals and to associations of workers.

i. *Industrial property.*

Abolition, on grounds of public utility, of private ownership in mines, quarries, the subsoil generally, and of the great means of production and transport.

ii. *Agricultural property.*

(*a*) Nationalization of forests.

(*b*) Reconstitution or development of common lands.

(*c*) Progressive taking over of the land by the State or the communes.

7. *Autonomy of public services.*

(*a*) Administration of the public services by special autonomous commissions, under the control of the State.

(*b*) Creation of committees elected by the workmen and

employés of the public services to debate with the central administration the conditions of the remuneration and organization of labour.

B.—*Particular Measures for Industrial Workers.*

1. *Abolition of all laws restricting the right of combination.*

2. *Regulation of industrial labour.*

(*a*) Prohibition of employment of children under fourteen.

(*b*) Half-time system between the ages of fourteen and eighteen.

(*c*) Prohibition of employment of women in all industries where it is incompatible with morals or health.

(*d*) Reduction of working-day to a maximum of eight hours for adults of both sexes, and minimum wage.

(*e*) Prohibition of night-work for all categories of workers and in all industries, where this mode of working is not absolutely necessary.

(*f*) One day's rest per week, so far as possible on Sunday.

(*g*) Responsibility of employers in case of accidents, and appointment of doctors to attend persons wounded.

(*h*) Workmen's memorandum-books and certificates to be abolished, and their use prohibited.

3. *Inspection of work.*

(*a*) Employment of paid medical authorities, in the interests of labour hygiene.

(*b*) Appointment of inspectors by the Councils of Industry and Labour.

4. *Reorganization of the Industrial Tribunals* (Conseils de Prud'hommes) *and the Councils of Industry and Labour.*

(*a*) Working women to have votes and be eligible.

(*b*) Submission to the Courts to be compulsory.

5. *Regulation of work in prisons and convents.*

C.—*Particular Measures for Agricultural Workers.*

1. *Reorganization of the Agricultural Courts.*

(*a*) Nomination of delegates in equal numbers by the landowners, farmers, and labourers.

(*b*) Intervention of the Chambers in individual or collective disputes between landowners, farmers, and agricultural workers.

(*c*) Fixing of a minimum wage by the public authorities on the proposition of the Agricultural Courts.

2. *Regulation of contracts to pay farm-rents.*

(*a*) Fixing of the rate of farm-rents by Committees of Arbitration or by the reformed Agricultural Courts.

(*b*) Compensation to the outgoing farmer for enhanced value of property.

(*c*) Participation of landowners, to a wider extent than that fixed by the Civil Code, in losses incurred by farmers.

(*d*) Suppression of the landowner's privilege.

3. *Insurance by the provinces, and reinsurance by the State, against epizoötic diseases, diseases of plants, hail, floods, and other agricultural risks.*

4. *Organization by the public authorities of a free agricultural education.*

Creation or development of experimental fields, model farms, agricultural laboratories.

5. *Purchase by the communes of agricultural implements to be at the disposal of their inhabitants.*

Assignment of common lands to groups of labourers engaging not to employ wage-labour.

6. *Organization of a free medical service in the country.*

7. *Reform of the Game Laws.*

(*a*) Suppression of gun licences.

(*b*) Suppression of game preserves.

(*c*) Right of cultivators to destroy all the year round animals which injure crops.

8. *Intervention of public authorities in the creation of agricultural co-operative societies—*

(*a*) For buying seed and manure.

(*b*) For making butter.

(*c*) For the purchase and use in common of agricultural machines.

(*d*) For the sale of produce ;

(*e*) For the working of land by groups.

9. *Organization of agricultural credit.*

III.—Communal Programme.[1]

1. *Educational reforms.*

(*a*) Free scientific instruction for children up to fourteen. Special courses for older children and adults.

(*b*) Organization of education in trades and industries, in co-operation with workmen's organizations.

(*c*) Maintenance of children ; except where the public authorities intervene to do so.

(*d*) Institution of school refreshment-rooms. Periodic distribution of boots and clothing.

(*e*) Orphanages. Establishments for children abandoned or cruelly ill-treated.

2. *Judicial reforms.*

Office for consultations free of charge in cases coming before the law-courts, the industrial courts, etc.

3. *Regulation of work.*

[1] Under this head will be found the programme for local governing bodies. The three units of government in Belgium are the State, the nine provinces, and the communes. The communal councils correspond to our borough, district, and parish councils. Rural communes, however, though small, are not as small as English parishes ; and urban communes, though large, are not allowed to reach the size of the great municipalities in England and America. The city of Brussels is divided between six communes. Hence the provision, in § 7 below, for federations of communes.

(*a*) Minimum wage and maximum working-day to be made a clause in contracts for communal works.

(*b*) Intervention of trade associations in the fixing of rates of wages, and general regulation of industry. The Echevin of Public Works to supervise the execution of these clauses in contracts.

(*c*) Appointment by the workmen's associations of inspectors to supervise the clauses in contracts.

(*d*) Rigorous application of the principle of tenders open to all, for all services which, during a transition-period, are not managed directly.

(*e*) Permission to trade-unions to tender,[1] and abolition of security-deposit.

(*f*) Creation of *Bourses du Travail*,[2] or at least offices for the demand and supply of employment, whose administration shall be entrusted to trade-unions or labour associations.

(*g*) Fixing of a minimum wage for the workmen and *employés* of a commune.

4. *Public charity*.[3]

(*a*) Admission of workmen to the administration of the councils of hospitals and of public charity.

(*b*) Transformation of public charity and the hospitals into a system of insurance against old age. Organization of a medical service and drug supply. Establishment of public free baths and wash-houses.

(*c*) Establishment of refuges for the aged and disabled. Night-shelter and food-distribution for workmen wandering in search of work.

[1] For this cp. Millerand's Bill of Nov. 14, 1899 ; as also his departmental efforts to stimulate trade-unions to co-operative production by certain preferences in the assignment of contracts, especially in connection with the Paris Exhibition, 1900.

[2] For *Bourses du Travail*, cp. p. 154. They were originally suggested by the Belgian, De Paepe, in 1868, in connection with the International Working Men's Association.

[3] Includes matters dealt with under the English poor law.

5. *Complete neutrality of all communal services from the philosophical point of view.*[1]

6. *Finance.*

(*a*) Saving to be effected on present cost of administration. Maximum allowance of 6000 francs for mayors and other officials. Costs of entertainment for mayors who must incur certain private expenses.

(*b*) Income-tax.

(*c*) Special tax on sites not built over and houses not let.

7. *Public services.*

(*a*) The commune, or a federation of communes composing one agglomeration, is to work the means of transport—tramways, omnibuses, cabs, district railways, etc.

(*b*) The commune, or federation of communes, is to work directly the services of general interest at present conceded to companies—lighting, water-supply, markets, highways, heating, security, health.

(*c*) Compulsory insurance of the inhabitants against fire; except where the State intervenes to do so.

(*d*) Construction of cheap dwellings by the commune, the hospices, and the charity offices.

[1] No preference for employment of persons with any special creed.

XXIV

PROGRAMME OF THE AUSTRIAN SOCIAL DEMOCRATIC PARTY

Voted at Brunn, 1901.

THE Social Democratic Labour party in Austria strives on behalf of the whole people, without distinction of nation, race, and sex, for emancipation from the fetters of economic dependence, political oppression, and intellectual confinement. The cause of these unsatisfactory conditions lies, not in particular political arrangements, but in the fact essentially conditioning and dominating the whole state of society, that the means of working are monopolized in the hands of individual possessors. The possessors of the power to work, the working-class, fall therefore into the most oppressive dependence upon the possessors of the means of working, which include land—that is, upon the great land-owning and capitalist classes, whose political and economic domination is expressed in the class-State of to-day.

Technical progress, the growing concentration of production and property, the union of every economic force in the hands of capitalists and capitalistic groups, have the effect of depriving ever-widening circles of small industrial employers and peasants, formerly independent, of their means of production, and bringing them as wage-workers, *employés*, or debtors, into direct or indirect dependence on the capitalists. The mass of proletarians grows; the degree of their exploitation also rises;

and, in consequence, the standard of life of ever-deepening strata of the working people contrasts more and more with the rapidly rising productivity of their own work and the expansion of the wealth which they themselves create. The crises resulting from the want of design in the capitalistic method of production, with the unemployment and misery resulting from them, precipitate and accentuate this development.

But the more the development of capitalism increases the proletariate, the more is the proletariate compelled and enabled to take up the battle against it. The suppression of individual production makes individual property ever more superfluous and harmful, while at the same time the necessary mental and material conditions are afforded for new forms of co-operative production on the basis of social ownership of the means of production. Simultaneously the proletariate becomes conscious that it must advance and precipitate this development, and that the transfer of the means of work to the communal ownership of the whole people must be the end, and the capture of political power the means, in its fight for the emancipation of the working-class. Only the proletariate aroused to class-consciousness, and organized for the class-war, can carry out this necessary development. *To organize the proletariate, to fill it with the consciousness of its position and its object, to make and keep it mentally and physically fit for the battle, is therefore the real programme of the Social Democratic Labour party in Austria*, towards which it will avail itself of all means which subserve its aim and correspond to the people's natural sense of justice.

The Social Democratic Labour party in Austria will in all political and economic questions always represent the class-interest of the proletariate, and energetically oppose any attempt to obscure and conceal the class-antagonisms, as well as any attempt to wear out the workers on behalf of the bourgeois parties.

The Social Democratic Labour party in Austria is an

international party; it condemns the privileges of nations as well as those of birth and sex, property and lineage, and declares that the war against exploitation must be international like the exploitation itself. It condemns and combats all restrictions upon the free expression of opinion, and all State and ecclesiastical tutelage. It strives for legal protection of the standard of life of the working classes, and fights to give the proletariate a maximum influence upon every sphere of public life.

Setting out from these principles, the Austrian Social Democracy demands immediately—

1. Universal, equal, direct, and secret suffrage in State, province, and commune for all members of the State, without distinction of sex, from the age of twenty upwards; proportional representation; fixing of elections for a legal holiday; triennial legislative periods; maintenance-grant for elected persons.

2. Direct legislation by the people by means of the initiative and referendum; self-determination and self-government of the people in State, province, and commune.

3. Abolition of all laws which limit the right to free expression of opinions; in particular, provision of full freedom of the press by the removal of outside management and the restriction upon colportage of printed matter; removal of all laws restricting the right of association and assembly.

4. Removal of all restrictions upon free locomotion; in particular, of all vagrancy laws.

5. A law to be passed and carried out subjecting officials who infringe the political rights of individuals or associations to a severe penalty.

6. Independence of the law-courts to be guaranteed. No charges to be made for the administration of the law, or for legal assistance. Indemnification of innocent persons arrested and condemned. Election of jurors on the basis of universal, equal, and secret suffrage. Subjection of all State-servants to the ordinary laws and courts. Abolition of the death penalty.

7. State and communal organization of the public health service. Provision of medical attendance and medicine without charge.

8. Declaration that religion is a private matter. Separation of the Church from the State, and declaration that ecclesiastical and religious communities are private associations, which manage their affairs quite independently. Compulsory civil marriage.

9. Compulsory, free, secular education, in complete correspondence with the needs and development of the several nationalities. No charges to be made for school requisites and maintenance in the primary schools for all children, and for those pupils of higher educational institutions who are capable of further training.

10. Substitution for all indirect taxes and duties of graduated taxes upon income, property, and inheritance.

11. Substitution of the armed nation for the standing army. Education of all to be capable of bearing arms. Arming of the whole nation. Decision of war and peace by the representatives of the people.

12. Removal of all laws whereby women are prejudicially affected as against men in public or private law.

13. Liberation of workmen's co-operative societies from all burdens and limitations impeding their activity.

As a minimum of protection for workers, the Austrian Social Democracy demands—

1. Full freedom of combination; legal recognition of trade-union organizations; legal equalization of agricultural labourers; abolition of the regulations affecting servants.

2. Eight hours' maximum working-day, without clauses and without exceptions.

3. Prohibition of night-work except in businesses whose technical nature does not permit of an interruption; night-work for women and non-adult workers is to be prohibited without exception.

4. Complete rest of at least thirty-six hours on Sunday.

5. Prohibition of work for profit by children under fourteen to be thoroughly enforced. Comprehensive laws to protect apprentices and non-adult workers.

6. Exclusion of women workers from industries especially injurious to women's physique.

All these regulations are to apply to industries of every kind and degree (great industry, transport industry, handicraft, trade, home industry).

Development of the industrial inspectorate. Increase of inspectors, to whom executive powers are to be given. Participation of the workers' organizations in the control of the enforcement of workmen's protection, through the inspectors, male and female, whom they select.

Employers who transgress the laws for the protection of workers are to be liable to severe penalties, which may not be converted into money fines.

Workmen's insurance is to be subjected to a radical reform, to be completed by the introduction of a universal insurance against old age and disablement, as well as a provision for widows and orphans, and to be uniformly organized with a thorough autonomy for the insured.

XXV

PROGRAMME OF THE FRENCH SOCIALIST PARTY

Voted at Tours, March, 1902. It should be borne in mind that the "French Socialist Party" does not include all French Socialists. But of the 47 Socialist deputies elected to the Chamber in 1902, about 35 belong to or work with it.

I.—Declaration of Principles.

Socialism proceeds simultaneously from the movement of democracy and from the new forms of production. In history, from the very morrow of the French Revolution, the proletarians perceived that the Declaration of the Rights of Man would remain an illusion unless society transformed ownership.

How, indeed, could freedom, ownership, security, be guaranteed to all, in a society where millions of workers have no property but their muscles, and are obliged, in order to live, to sell their power of work to the propertied minority?

To extend, therefore, to every citizen the guarantees inscribed in the Declaration of Rights, our great Babeuf demanded ownership in common, as a guarantee of welfare in common. Communism was for the boldest proletarians the supreme expression of the Revolution.

Between the political *régime*, the outcome of the revolutionary movement, and the economic *régime* of society, there is an intolerable contradiction.

In the political order democracy is realized; all citizens

share equally, at least by right, in the sovereignty; universal suffrage is communism in political power.

In the economic order, on the other hand, a minority is sovereign. It is the oligarchy of capital which possesses, directs, administers, and exploits.

Proletarians are acknowledged fit as citizens to manage the milliards of the national and communal budgets; as labourers, in the workshop, they are only a passive multitude, which has no share in the direction of enterprises, and they endure the domination of a class which makes them pay dearly for a tutelage whose utility ceases and whose prolongation is arbitrary.

The irresistible tendency of the proletarians, therefore, is to transfer into the economic order the democracy partially realized in the political order. Just as all the citizens have and handle in common, democratically, the political power, so they must have and handle in common the economic power, the means of production.

They must themselves appoint the heads of work in the workshops, as they appoint the heads of government in the city, and reserve for those who work, for the community, the whole product of work.

This tendency of political democracy to enlarge itself into social democracy has been strengthened and defined by the whole economic evolution.

In proportion as the capitalistic *régime* developed its effects, the proletariate became conscious of the irreducible opposition between its essential interests and the interests of the class dominant in society, and to the bourgeois form of democracy it opposed more and more the complete and thorough communistic democracy.

All hope of universalizing ownership and independence by multiplying small autonomous producers has disappeared. The great industry is more and more the rule in modern production.

By the enlargement of the world's markets, by the growing

facility of transport, by the division of labour, by the increasing application of machinery, by the concentration of capitals, immense concentrated production is gradually ruining or subordinating the small or middling producers.

Even where the number of small craftsmen, small traders, small peasant proprietors, does not diminish, their relative importance in the totality of production grows less unceasingly. They fall under the sway of the great capitalists.

Even the peasant proprietors, who seem to have retained a little independence, are more and more exposed to the crushing forces of the universal market, which capitalism directs without their concurrence and against their interests.

For the sale of their wheat, wine, beetroot, and milk, they are more and more at the mercy of great middlemen or great industries of milling, distilling, and sugar-refining, which dominate and despoil peasant labour.

The industrial proletarians, having lost nearly all chance of individually rising to be employers, and being thus doomed to eternal dependence, are further subject to incessant crises of unemployment and misery, let loose by the unregulated competition of the great capitalist forces.

The immense progress of production and wealth, largely usurped by parasitic classes, has not led to an equivalent progress in well-being and security for the workers, the proletarians. Whole categories of wage-earners are abruptly thrown into extreme misery by the constant introduction of new mechanisms and by the abrupt movements and transformations of industry.

Capitalism itself admits the disorder of the present *régime* of production, since it tries to regulate it for its gain by capitalistic syndicates, by trusts.

Even if it succeeded in actually disciplining all the forces of production, it would only do so while consummating the domination and the monopoly of capital.

There is only one way of assuring the continued order and progress of production, the freedom of every individual, and

the growing well-being of the workers; it is to transfer to the collectivity, to the social community, the ownership of the capitalistic means of production.

The proletariate, daily more numerous, ever better prepared for combined action by the great industry itself, understands that in collectiveness or communism lie the necessary means of salvation for it.

As an oppressed and exploited class, it opposes all the forces of oppression and exploitation, the whole system of ownership, which debases it to be a mere instrument. It does not expect its emancipation from the good will of rulers or the spontaneous generosity of the propertied classes, but from the continual and methodical pressure which it exerts upon the privileged class and the government.

It sets before itself as its final aim, not a partial amelioration, but the total transformation of society. And since it acknowledges no right as belonging to capitalistic ownership, it feels bound to it by no contract. It is determined to fight it, thoroughly, and to the end; and it is in this sense that the proletariate, even while using the legal means which democracy puts into its hands, is and must remain a revolutionary class.

Already by winning universal suffrage, by winning and exercising the right of combining to strike and of forming trade-unions, by the first laws regulating labour and causing society to insure its members, the proletariate has begun to react against the fatal effects of capitalism; it will continue this great and unceasing effort, but it will only end the struggle when all capitalist property has been reabsorbed by the community, and when the antagonism of classes has been ended by the disappearance of the classes themselves, reconciled, or rather made one, in common production and common ownership.

How will be accomplished the supreme transformation of the capitalist *régime* into the collectivist or communist? The human mind cannot determine beforehand the mode in which history will be accomplished.

The democratic and bourgeois revolution, which originated in the great movement of France in 1789, has come about in different countries in the most different ways. The old feudal system has yielded in one case to force, in another to peaceful and slow evolution. The revolutionary bourgeoisie has at one place and time proceeded to brutal expropriation without compensation, at another to the buying out of feudal servitudes.

No one can know in what way the capitalist servitude will be abolished. The essential thing is that the proletariate should be always ready for the most vigorous and effective action. It would be dangerous to dismiss the possibility of revolutionary events occasioned either by the resistance or by the criminal aggression of the privileged class.

It would be fatal, trusting in the one word revolution, to neglect the great forces which the conscious, organized proletariate can employ within democracy.

These legal means, often won by revolution, represent an accumulation of revolutionary force, a revolutionary capital, of which it would be madness not to take advantage.

Too often the workers neglect to profit by the means of action, which democracy and the republic put into their hands. They do not demand from trade-unionist action, co-operative action, or universal suffrage, all that those forms of action can give.

No formula, no machinery, can enable the working-class to dispense with the constant effort of organization and education.

The idea of the general strike, of general strikes, is invincibly suggested to proletarians by the growing magnitude of working-class organization. They do not desire violence, which is very often the result of an insufficient organization and a rudimentary education of the proletariate; but they would make a great mistake if they did not employ the powerful means of action, which co-ordinates working-class forces to subserve the great interests of the workers or of society; they must group and organize themselves to be in a position to make the privileged class more and more emphatically aware

of the gulf, which may suddenly be cleft open in the economic life of societies by the abrupt stoppage of the worn-out and interminably exploited workers. They can thereby snatch from the selfishness of the privileged class great reforms interesting the working-class in general, and hasten the complete transformation of an unjust society. But the formula of the general strike, like the partial strike, like political action, is only valuable through the progress of the education, the thought, and the will of the working-class.

The Socialist party defends the Republic as a necessary means of liberation and education. Socialism is essentially republican. It might be even said to be the Republic itself, since it is the extension of the Republic to the *régime* of property and labour.

The Socialist party needs, to organize the new world, free minds, emancipated from superstitions and prejudices. It asks for and guarantees every human being, every individual, absolute freedom of thinking, and writing, and affirming their beliefs. Over against all religions, dogmas, and churches, as well as over against the class conceptions of the bourgeoisie, it sets the unlimited right of free thought, the scientific conception of the universe, and a system of public education based exclusively on science and reason.

Thus accustomed to free thought and reflection, citizens will be protected against the sophistries of the capitalistic and clerical reaction. The small craftsmen, small traders, and small peasant proprietors will cease to think that it is Socialism which wishes to expropriate them. The Socialist party will hasten the hour when these small peasant proprietors, ruined by the underselling of their produce, riddled with mortgage debts, and always liable to judicial expropriation, will eventually understand the advantages of generalized and systematized association, and will claim themselves, as a benefit, the socialization of their plots of land.

But it would be useless to prepare inside each nation an organization of justice and peace, if the relations of the nations

to one another remained exposed to every enterprise of force, every suggestion of capitalist greed.

The Socialist party desires peace among nations; it condemns every policy of aggression and war, whether continental or colonial. It constantly keeps on the order of the day for civilized countries simultaneous disarmament. While waiting for the day of definitive peace among nations, it combats the militarist spirit by doing its utmost to approximate the system of permanent armies to that of national militias. It wishes to protect the territory and the independence of the nation against any surprise; but every offensive policy and offensive weapon is utterly condemned by it.

The close understanding of the workers, of the proletarians of every country, is necessary as well to beat back the forces of aggression and war as to prepare by a concerted action the general triumph of Socialism. The international agreement of the militant proletarians of every country will prepare the triumph of a free humanity, where the difference of classes will have disappeared, and the difference of nations, instead of being a principle of strife and hatred, will be a principle of brotherly emulation in the universal progress of mankind.

It is in this sense and for these reasons that the Socialist party has formulated in its congresses the rule and aim of its action—international understanding of the workers; political and economic organization of the proletariate as a class party for the conquest of government and the socialization of the means of production and exchange; that is to say, the transformation of capitalist society into a collectivist or communist society.

II.—Programme of Reforms.

The Socialist party, rejecting the policy of all or nothing, has a programme of reforms whose realization it pursues forthwith.

(1) *Democratization of Public Authorities.*

1. Universal direct suffrage, without distinction of sex, in every election.

2. Reduction of time of residence. Votes to be cast for lists, with proportional representation, in every election.

3. Legislative measures to secure the freedom and secrecy of the vote.

4. Popular right of initiative and referendum.

5. Abolition of the Senate and Presidency of the Republic. The powers at present belonging to the President of the Republic and the Cabinet to devolve on an executive council appointed by the Parliament.

6. Legal regulation of the legislator's mandate, to be revocable by the vote of any absolute majority of his constituents on the register.

7. Admission of women to all public functions.

8. Absolute freedom of the press, and of assembly guaranteed only by the common law. Abrogation of all exceptional laws on the press. Freedom of civil associations.

9. Full administrative autonomy of the departments and communes, under no reservations but that of the laws guaranteeing the republican, democratic, and secular character of the State.

(2) *Complete Secularization of the State.*

1. Separation of the Churches and the State; abolition of the Budget of Public Worship; freedom of public worship; prohibition of the political and collective action of the Churches against the civil laws and republican liberties.

2. Abolition of the congregations; nationalization of the property in mortmain, of every kind, belonging to them, and appropriation of it for works of social insurance and solidarity; in the interval, all industrial, agricultural, and commercial undertakings are to be forbidden to the congregations.

(3) *Democratic and Humane Organization of Justice.*

1. Substitution for all the present courts, whether civil or criminal, of courts composed of a jury taken from the electoral register and judges elected under guarantees of competence; the jury to be formed by drawing lots from lists drawn up by universal suffrage.

2. Justice to be without fee. Transformation of ministerial offices into public functions. Abolition of the monopoly of the bar.

3. Examination from opposite sides at every stage and on every point.

4. Substitution for the vindictive character of the present punishments, of a system for the safe keeping and the amelioration of convicts.

5. Abolition of the death penalty.

6. Abolition of the military and naval courts.

(4) *Constitution of the Family in conformity with Individual Rights.*

1. Abrogation of every law establishing the civil inferiority of women and natural or adulterine children.

2. Most liberal legislation on divorce. A law sanctioning inquiry into paternity.

(5) *Civic and Technical Education.*

1. Education to be free of charge at every stage.

2. Maintenance of the children in elementary schools at the expense of the public bodies.

3. For secondary and higher education, the community to pay for those of the children who on examination are pronounced fit usefully to continue their studies.

4. Creation of a popular higher education.

5. State monopoly of education at the three stages; as a means towards this, all members of the regular and secular clergy to be forbidden to open and teach in a school.

(6) *General recasting of the System of Taxation upon Principles of Social Solidarity.*

1. Abolition of every tax on articles of consumption which are primary necessaries, and of the four direct contributions;[1] accessorily, relief from taxation of all small plots of land and small professional businesses.[2]

2. Progressive income-tax, levied on each person's income as a whole, in all cases where it exceeds 3000 francs (£120).

3. Progressive tax on inheritances, the scale of progression being calculated with reference both to the amount of the inheritance and the degree of remoteness of the relationship.

4. The State to be empowered to seek a part of the revenue which it requires from certain monopolies.

(7) *Legal Protection and Regulation of Labour in Industry, Commerce, and Agriculture.*

1. One day's rest per week, or prohibition of employers to exact work more than six days in seven.

2. Limitation of the working-day to eight hours; as a means towards this, vote of every regulation diminishing the length of the working-day.

3. Prohibition of the employment of children under fourteen; half-time system for young persons, productive labour being combined with instruction and education.

4. Prohibition of night-work for women and young persons. Prohibition of night-work for adult workers of all categories and in all industries where night-work is not absolutely necessary.

5. Legislation to protect home-workers.

6. Prohibition of piece-work and of truck. Legal recognition of black-listing.

7. Scales of rates forming a minimum wage to be fixed by agreement between municipalities and the working-class corporations of industry, commerce, and agriculture.

[1] Personal tax; tax on moveables; tax on land; door and window tax.

[2] A licence to trade is required for many businesses in France.

8. Employers to be forbidden to make deductions from wages, as fines or otherwise. Workers to assist in framing special rules for workshops.

9. Inspection of workshops, mills, factories, mines, yards, public services, shops, etc., shall be carried out with reference to the conditions of work, hygiene, and safety, by inspectors elected by the workmen's unions, in concurrence with the State inspectors.

10. Extension of the industrial arbitration courts to all wage-workers of industry, commerce, and agriculture.

11. Convict labour to be treated as a State monopoly; the charge for all work done shall be the wage normally paid to trade-unionist workers.

12. Women to be forbidden by law to work for six weeks before confinement and for six weeks after.

(8) *Social Insurance against all Natural and Economic Risks.*

1. Organization by the nation of a system of social insurance, applying to the whole mass of industrial, commercial, and agricultural workers, against the risks of sickness, accident, disability, old age, and unemployment.

2. The insurance funds to be found without drawing on wages; as a means towards this, limitation of the contribution drawn from the wage-workers to a third of the total contribution, the two other thirds to be provided by the State and the employers.

3. The law on workmen's accidents to be improved and applied without distinction of nationality.

4. The workers to take part in the control and administration of the insurance system.

(9) *Extension of the Domain and Public Services, Industrial and Agricultural, of State, Department, and Commune.*

1. Nationalization of railways, mines, the Bank of France, insurance, the sugar refineries, and sugar factories, the distilleries, and the great milling establishments.

2. Organization of public employment-registries for the workers, with the assistance of the *Bourses du Travail*,[1] and the workmen's organizations; and abolition of the private registries.

3. State organization of agricultural banks.

4. Grants to rural communes to assist them to purchase agricultural machinery collectively, to acquire communal domains, worked under the control of the communes by unions of rural labourers, and to establish depôts and entrepôts.

5. Organization of communal services for lighting, water, common transport, construction, and public management of cheap dwellings.

6. Democratic administration of the public services, national and communal; organizations of workers to take part in their administration and control; all wage-earners in all public services to have the right of forming trade-unions.

7. National and communal service of public health, and strengthening of the laws which protect it—those on unhealthy dwellings, etc.

(10) *Policy of International Peace and Adaptation of the Military Organization to the Defence of the Country.*

1. Substitution of a militia for the standing Army, and adoption of every measure, such as reductions of military service, leading up to it.

2. Remodelling and mitigation of the military penal code; abolition of disciplinary corps, and prohibition of the prolongation of military service by way of penalty.

3. Renunciation of all offensive war, no matter what its pretext.

4. Renunciation of every alliance not aimed exclusively at the maintenance of peace.

5. Renunciation of Colonial military expeditions; and in the present Colonies or Protectorates, withdrawn from the influence of missionaries and the military *régime*, development of institutions to protect the natives.

[1] For the *Bourses du Travail*, cp. p. 154.

XXVI

PROGRAMMES OF THE ENGLISH SOCIALIST ORGANIZATIONS

I.—The Programme of the Social Democratic Federation

[*Revised* 1903]

The Social Democratic Federation is the oldest English Socialist body. Various Radical clubs in London formed in 1881 the Democratic Federation, and in 1883 this body declared for Socialism and took its present title. Most of the leading English Socialists were for a short while in its ranks.

OBJECT

The Socialization of the Means of Production, Distribution, and Exchange, to be controlled by a Democratic State in the interests of the entire community, and the complete Emancipation of Labour from the Domination of Capitalism and Landlordism, with the establishment of Social and Economic Equality between the Sexes.

The economic development of modern society is characterized by the more or less complete domination of the capitalistic mode of production over all branches of human labour.

The capitalistic mode of production, because it has the creation of profit for its sole object, therefore favours the larger capital, and is based upon the divorcement of the majority of the people from the instruments of production

and the concentration of these instruments in the hands of a minority. Society is thus divided into two opposite classes: one, the capitalists and their sleeping partners, the landlords and loanmongers, holding in their hands the means of production, distribution, and exchange, and being, therefore, able to command the labour of others; the other, the working-class, the wage-earners, the proletariat, possessing nothing but their labour-power, and being consequently forced by necessity to work for the former.

The social division thus produced becomes wider and deeper with every new advance in the application of labour-saving machinery. It is most clearly recognizable, however, in the times of industrial and commercial crises, when, in consequence of the present chaotic conditions of carrying on national and international industry, production periodically comes to a standstill, and a number of the few remaining independent producers are thrown into the ranks of the proletariat. Thus, while on one hand there is incessantly going on an accumulation of capital, wealth, and power into a steadily diminishing number of hands, there is, on the other hand, a constantly growing insecurity of livelihood for the mass of wage-earners, an increasing disparity between human wants and the opportunity of acquiring the means for their satisfaction, and a steady physical and mental deterioration among the more poverty-stricken of the population.

But the more this social division widens, the stronger grows the revolt—more conscious abroad than here—of the proletariat against the capitalist system of society in which this division and all that accompanies it have originated, and find such fruitful soil. The capitalist mode of production, by massing the workers in large factories, and creating an interdependence, not only between various trades and branches of industries, but even national industries, prepares the ground and furnishes material for a universal class war. That class war may at first—as in this country—be directed against the abuses of the system, and not against the system itself; but sooner or later the

workers must come to recognize that nothing short of the expropriation of the capitalist class, the ownership by the community of the means of production, distribution, and exchange, can put an end to their abject economic condition; and then the class war will become conscious instead of unconscious on the part of the working-classes, and they will have for their ultimate object the overthrow of the capitalist system. At the same time, since the capitalist class holds and uses the power of the State to safeguard its position and beat off any attack, the class war must assume a political character, and become a struggle on the part of the workers for the possession of the political machinery.

It is this struggle for the conquest of the political power of the State, in order to effect a social transformation, which International Social Democracy carries on in the name and on behalf of the working-class. Social Democracy, therefore, is the only possible political party of the proletariat. The Social Democratic Federation is a part of this International Social Democracy. It, therefore, takes its stand on the above principles, and believes—

1. That the emancipation of the working-class can only be achieved through the socialization of the means of production, distribution, and exchange, and their subsequent control by the organized community in the interests of the whole people.

2. That, as the proletariat is the last class to achieve freedom, its emancipation will mean the emancipation of the whole of mankind, without distinction of race, nationality, creed, or sex.

3. That this emancipation can only be the work of the working-class itself, organized nationally and internationally into a distinct political party, consciously striving after the realization of its ideals; and, finally,

4. That, in order to ensure greater material and moral facilities for the working-class to organize itself and to carry on the class war, the following reforms must immediately be carried through :—

IMMEDIATE REFORMS

Political.

Abolition of the Monarchy.

Democratization of the Governmental machinery, viz. abolition of the House of Lords, payment of members of legislative and administrative bodies, payment of official expenses of elections out of the public funds, adult suffrage, proportional representation, triennial parliaments, second ballot, initiative and referendum. Foreigners to be granted rights of citizenship after two years' residence in the country, on the recommendation of four British-born citizens, without any fees. Canvassing to be made illegal.

Legislation by the people in such wise that no legislative proposal shall become law until ratified by the majority of the people.

Legislative and administrative independence for all parts of the Empire.

Financial and Fiscal.

Repudiation of the National Debt.

Abolition of all indirect taxation and the institution of a cumulative tax on all incomes and inheritance exceeding £300.

Administrative.

Extension of the principle of local self-government.

Systematization and co-ordination of the local administrative bodies.

Election of all administrators and administrative bodies by equal direct adult suffrage.

Educational.

Elementary education to be free, secular, industrial, and compulsory for all classes. The age of obligatory school attendance to be raised to 16.

Unification and systematization of intermediate and higher education, both general and technical, and all such education to be free.

Free maintenance for all attending State schools.

Abolition of school rates; the cost of education in all State schools to be borne by the National Exchequer.

Public Monopolies and Services.

Nationalization of the land and the organization of labour in agriculture and industry under public ownership and control on co-operative principles.

Nationalization of the trusts.

Nationalization of railways, docks, and canals, and all great means of transit.

Public ownership and control of gas, electric light, and water supplies, as well as of tramway, omnibus, and other locomotive services.

Public ownership and control of the food and coal supply.

The establishment of State and municipal banks and pawnshops and public restaurants.

Public ownership and control of the lifeboat service.

Public ownership and control of hospitals, dispensaries, cemeteries, and crematoria.

Public ownership and control of the drink traffic.

Labour.

A legislative eight-hour working-day, or 48 hours per week, to be the maximum for all trades and industries. Imprisonment to be inflicted on employers for any infringement of the law.

Absolute freedom of combination for all workers, with legal guarantee against any action, private or public, which tends to curtail or infringe it.

No child to be employed in any trade or occupation until 16 years of age, and imprisonment to be inflicted on employers, parents, and guardians who infringe this law.

Public provision of useful work at no less than trade-union rates of wages for the unemployed.

Free State insurance against sickness and accident, and free and adequate State pensions or provision for aged and disabled workers. Public assistance not to entail any forfeiture of political rights.

The legislative enactment of a minimum wage of 30*s.* for all workers. Equal pay for both sexes for the performance of equal work.

Social.

Abolition of the present workhouse system, and reformed administration of the Poor Law on a basis of national co-operation.

Compulsory construction by public bodies of healthy dwellings for the people; such dwellings to be let at rents to cover the cost of construction and maintenance alone, and not to cover the cost of the land.

The administration of justice to be free to all; the establishment of public offices where legal advice can be obtained free of charge.

Miscellaneous.

The disestablishment and disendowment of all State churches.

The abolition of standing armies, and the establishment of national citizen forces. The people to decide on peace and war.

The establishment of international courts of arbitration.

The abolition of courts-martial; all offences against discipline to be transferred to the jurisdiction of civil courts.

II.—The Programme of the Independent Labour Party (1903–4)

The Independent Labour Party was founded in 1892–3, mainly by Socialists in close touch with the trade-union movement. It held its first congress on January 13 and 14, 1893.

Name.—"The Independent Labour Party."

Object.—An industrial commonwealth founded upon the Socialization of land and capital.

Methods.—The education of the community in the principles of Socialism.

The industrial and political organization of the workers.

The independent representation of Socialist principles on all elective bodies.

Programme.

The true object of industry being the production of the requirements of life, the responsibility should rest with the community collectively, therefore—

The land, being the storehouse of all the necessaries of life, should be declared and treated as public property.

The capital necessary for industrial operations should be owned and used collectively.

Work, and wealth resulting therefrom, should be equitably distributed over the population.

As a means to this end, we demand the enactment of the following measures :—

1. A maximum eight-hours' working-day, a six-days' working-week, with the retention of all existing holidays, and Labour Day, May 1, secured by law.

2. The provision of work to all capable adult applicants at recognized trade-union rates, with a statutory minimum of sixpence per hour.

In order to remuneratively employ the applicants, parish, district, borough, and county councils to be invested with powers to—

(*a*) Organize and undertake such industries as they may consider desirable.

(*b*) Compulsorily acquire land; purchase, erect, or manufacture, buildings, stock, or other articles for carrying on such industries.

(*c*) Levy rates on the rental values of the district, and borrow money on the security of such rates for any of the above purposes.

3. State pensions for every person over fifty years of age, and adequate provision for all widows, orphans, sick and disabled workers.

4. Free, secular, primary, secondary and university education, with free maintenance while at school or university.

5. The raising of the age of child labour, with a view of its ultimate extinction.

6. Municipalization and public control of the drink traffic.

7. Municipalization and public control of all hospitals and infirmaries.

8. Abolition of indirect taxation, and the gradual transference of all public burdens on to unearned incomes, with a view to their ultimate extinction.

The Independent Labour Party is in favour of every proposal for extending electoral rights to both men and women, and democratizing the system of Government.

III.—The Programme of the Fabian Society

The Fabian Society dates from January 4, 1884. It differs from other Socialist bodies in not trying to enlist the mass of its converts in its ranks, and in encouraging its members to join and permeate other organizations. It exists for purposes of co-operation in research, internal discussion, and external propaganda. It does not bind its members to a programme, but only to a basis; this is, however, here supplemented by two of the lists of questions, which it formulates to meet every variety of popular election.

Basis of the Fabian Society.

The Fabian Society consists of Socialists.

It therefore aims at the reorganization of society by the emancipation of land and industrial capital from individual and class ownership, and the vesting of them in the community for the general benefit. In this way only can the natural and acquired advantages of the country be equitably shared by the whole people.

The Society accordingly works for the extinction of private property in land and of the consequent individual appropriation, in the form of rent, of the price paid for permission to use the earth, as well as for the advantages of superior soils and sites.

The Society, further, works for the transfer to the community of the administration of such industrial capital as can conveniently be managed socially. For, owing to the monopoly of the means of production in the past, industrial inventions and the transformation of surplus income into capital have mainly enriched the proprietary class, the worker being now dependent on that class for leave to earn a living.

If these measures be carried out, without compensation (though not without such relief to expropriated individuals as

may seem fit to the community), rent and interest will be added to the reward of labour, the idle class now living on the labour of others will necessarily disappear, and practical equality of opportunity will be maintained by the spontaneous action of economic forces with much less interference with personal liberty than the present system entails.

For the attainment of these ends the Fabian Society looks to the spread of Socialist opinions, and the social and political changes consequent thereon. It seeks to promote these by the general dissemination of knowledge as to the relation between the individual and Society in its economic, ethical and political aspects.

QUESTIONS FOR PARLIAMENTARY CANDIDATES

(Revised September, 1900.)

Will you press at the first opportunity for the following reforms:—

I.—*A Labour Programme.*

1. The extension of the Workmen's Compensation Act to seamen, and to all other classes of wage earners?

2. Compulsory arbitration, as in New Zealand, to prevent strikes and lock-outs?

3. A statutory minimum wage, as in Victoria, especially for sweated trades?

4. The fixing of "an eight-hours' day" as the maximum for all public servants; and the abolition, wherever possible, of overtime?

5. An Eight-Hours' Bill, without an option clause, for miners: and, for railway servants, a forty-eight hours' week?

6. The drastic amendment of the Factory Acts, to secure (*a*) a safe and healthy work-place for every worker, (*b*) the prevention of overwork for all women and young persons, (*c*) the abolition of all wage-labour by children under 14,

(*d*) compulsory technical instruction by extension of the half-time arrangements to all workers under 18?

7. The direct employment of labour by all public authorities whenever possible; and, whenever it is not possible, employment only of fair houses, prohibition of sub-contracting, and payment of trade-union rates of wages?

8. The amendment of the Merchant Shipping Acts so as (*a*) to secure healthy sleeping and living accommodation, (*b*) to protect the seaman against withholding of his wages or return passage, (*c*) to insure him against loss by shipwreck?

II.—*A Democratic Budget.*

9. The further taxation of unearned incomes by means of a graduated and differentiated income-tax?

10. The abolition of all duties on tea, cocoa, coffee, currants and other dried fruits?

11. An increase of the scale of graduation of the death duties, so as to fall more heavily on large inheritances?

12. The appropriation of the unearned increment by the taxation and rating of ground values?

13. The nationalization of mining rents and royalties?

14. Transfer of the railways to the State under the Act of 1844?

III.—*Social Reform in Town and Country.*

15. The extension of full powers to parish, town, and county councils for the collective organization of the (*a*) water, (*b*) gas and (*c*) electric lighting supplies, (*d*) hydraulic power, (*e*) tramways and light railways, (*f*) public slaughter-houses, (*g*) pawnshops, (*h*) sale of milk, (*i*) bread, (*j*) coal, and such other public services as may be desired by the inhabitants?

16. Reform of the drink traffic by (*a*) reduction of the number of licences to a proper ratio to the population of each

locality, (*b*) transfer to public purposes of the special value of licences, created by the existing monopoly, by means of high licence or a licence rate, (*c*) grant of power to local authorities to carry on municipal public houses, directly or on the Gothenburg system?

17. Amendment of the Housing of the Working Classes Act by (*a*) extension of period of loans to one hundred years, treatment of land as an asset, and removal of statutory limitation of borrowing powers for housing, (*b*) removal of restrictions on rural district councils in adopting Part III. of the Act, (*c*) grant of power to parish councils to adopt Part III. of the Act, (*d*) power to all local authorities to buy land compulsorily under the allotments clauses of the Local Government Act, 1894, or in any other effective manner?

18. The grant of power to all local bodies to retain the freehold of any land that may come into their possession, without obligation to sell, or to use for particular purposes?

19. The relief of the existing taxpayer by (*a*) imposing, for local purposes, a municipal death duty on local real estate, collected in the same way as the existing death duties, (*b*) collecting rates from the owners of empty houses and vacant land, (*c*) power to assess land and houses at four per cent. on the capital value, (*d*) securing special contributions by way of "betterment" from the owners of property benefited by public improvements?

20. The further equalization of the rates in London?

21. The compulsory provision by every local authority of adequate hospital accommodation for all diseases and accidents?

IV.—*The Children and the Poor.*

22. The prohibition of the industrial or wage-earning employment of children during school terms prior to the age of 14?

23. The provision of meals, out of public funds, for necessitous children in public elementary schools?

24. The training of teachers under public control and free from sectarian influences?

25. The creation of a complete system of public secondary education genuinely available to the children of the poor?

26. State pensions for the support of the aged or chronically infirm?

V.—*Democratic Political Machinery.*

27. An amendment of the registration laws, with the aim of giving every adult man a vote, and no one more than one vote?

28. A redistribution of seats in accordance with population?

29. The grant of the franchise to women on the same terms as to men?

30. The admission of women to seats in the House of Commons and on borough and county councils?

31. The second ballot at Parliamentary and other elections?

32. The payment of all members of Parliament and of Parliamentary election expenses, out of public funds?

33. Triennial Parliaments?

34. All Parliamentary elections to be held on the same day?

QUESTIONS FOR TOWN COUNCILLORS

(Revised May, 1899.)

I.—*The Municipalization of Monopolies.*

1. Will you press for the prompt exercise by the council of its legal power to take over the tramways, where this has not already been done?

2. Will you support the council in obtaining express power itself to work the tramways, without the intervention of any lessee, contractor, or other middleman?

3. Will you obtain the insertion, in any further concessions obtained by the tramway companies, of clauses—

(*a*) Providing that all extensions may be purchased by the council at the same time as the original undertakings?

(*b*) Providing for a limitation of the hours of labour of the employees?

(*c*) Giving (as in Edinburgh) the council power to make bye-laws on that and other matters concerning the management of the traffic, in so far as it affects the public interest?

4. Will you endeavour to secure the transfer to the council, where not already municipalized, of—

(*a*) Any existing private markets, and the grant to it of power to provide new ones where required?

(*b*) The water supply?

(*c*) The gas supply, and to take over the existing works if required?

5. Will you support the establishment of municipal abattoirs in place of private slaughter-houses?

6. Will you oppose privileges for electric lighting being given to any company, and press for the institution of such lighting by the council?

II.—*Housing of the People.*

Will you press for—

7. The appointment of a committee to consider the condition of the working-class housing in your town?

8. The construction and maintenance, *by the council itself*, of an adequate number of cottages and of common lodging-houses under the Housing of the Working Classes Act, 1890, Part III.?

9. The condemnation of insanitary dwellings under the Housing of the Working Classes Act, Parts I. and II.?

10. The effective registration of tenement houses, and regular inspection of every house in the borough, so as to secure thorough sanitation?

11. The employment by the council of an adequate staff to compel the enforcement of the sanitary laws relating to house property?

12. The establishment of a complete system of drainage throughout the borough, and the frequent removal of dust by

the council's own staff, with special attention to the scavenging and lighting of the poorer districts?

III.—*Proper Treatment of Labour.*

13. Will you insist, as regards all persons employed by the council, upon—

(*a*) A normal eight-hours' day?

(*b*) Not less than trade-union rate of wages for each occupation?

(*c*) Full liberty of combination?

(*d*) One day's rest in seven and sufficient annual holidays?

(*e*) The prohibition of overtime except in unexpected emergencies?

(*f*) The provision of waterproof coats for outdoor labourers?

(*g*) The direct employment of labour, wherever possible?

14. Where contracting is necessary, will you try to put down all sweating, and rigidly enforce the rule of employing only firms which—

(*a*) Pay the trade-union rate of wages for the particular occupation?

(*b*) Observe the standard hours of labour, where such standard exists?

IV.—*Financial Reform.*

Are you in favour of—

15. Levying a special rate upon the owners of ground-rents and other land values, and of collecting half-rates from the owners of empty houses and vacant land?

16. Securing special contributions, by way of "betterment," from the owners of property benefited by public improvements?

17. A "Municipal Death Duty" on local real estate, as a way of absorbing the "unearned increment"?

18. Retaining the freehold of any land owned by the council?

19. The alteration of any law making necessary the sale of "surplus land"?

V.—*A Democratic Council.*

Will you support—

20. Granting the use of a room in the municipal buildings for the meetings of the trades council, as is done at Nottingham?

21. Evening meetings of the council and its committees, so that men at work in the day can become effective members?

22. Free use, for candidates' meetings, of all suitable schoolrooms receiving education grants, and other suitable public buildings?

23. Making women eligible for election?

24. The publication of an annual report of the council's work, with full financial statistics, at a cheap rate?

25. The provision, in all districts of the borough, of—

(*a*) Public baths, including swimming baths for each sex and wash-houses?

(*b*) Free public libraries and reading-rooms?

(*c*) Public drinking-fountains?

(*d*) Parks and open spaces?

(*e*) Gymnasiums and seats?

(*f*) Free urinals and water-closets for each sex?

26. The opening on Sundays of the public libraries, reading-rooms, museums, art galleries, baths, gymnasiums and parks?

27. The provision of music in the parks at the expense of the rates?

28. Permission for public meetings in the parks and open spaces, where the traffic is not thereby unduly interfered with?

29. The rigid enforcement, without respect of persons, of laws relating to—

(*a*) The smoke nuisance?

(*b*) The pollution of rivers?

(*c*) Noxious trades?

XXVII

CONSTITUTION OF THE LABOUR REPRESENTATION COMMITTEE,

As Amended at Newcastle, February, 1903

The Labour Representation Committee arose out of a conference held in February, 1900. It held its first annual conference in February, 1901.

I.

The Labour Representation Committee is a federation of Trade Unions, Trades Councils, the Independent Labour Party, and the Fabian Society. Co-operative Societies are also eligible for membership.

II.—Object.

To secure, by united action, the election to Parliament of candidates promoted, in the first instance, by an affiliated society or societies in the constituency, who undertake to form or join a distinct group in Parliament, with its own whips and its own policy on labour questions, to abstain strictly from identifying themselves with or promoting the interests of any section of the Liberal or Conservative parties, and not to oppose any other candidate recognized by this committee. All such candidates shall pledge themselves to accept this constitution, to abide by the decisions of the group in carrying out the aims of this constitution, or resign, and to appear

before their constituencies under the title of Labour candidates only.

III.—The Executive.

The Executive shall consist of thirteen members, nine representing the Trade Unions, one the Trades Councils, one the Fabian Society, and two the Independent Labour Party. The members shall be elected by their respective organizations at the annual conference.

IV.—Duties of the Executive.

The Executive Committee shall appoint a chairman, vice-chairman, and treasurer; shall transact the affairs of the committee, and make proper arrangements for the payment of permanent officers when necessary.

It shall keep in touch with trade-unions and other organizations, local and national, which are running Labour candidates, and on the approach of a General Election, it shall prepare a list of candidates run in accordance with the constitution, shall publish this list, and shall recommend these candidates for the support of the working-class electors. Its members shall strictly abstain from identifying themselves with or promoting the interests of any section of the Liberal or Conservative parties.

It shall report to affiliated organizations if the chief officials of any affiliated body publicly oppose the approved candidates of the committee, or if any member of this executive, Member of Parliament or candidate, who has been endorsed by the committee, acts contrary to the spirit of this constitution.

V.—The Secretary.

The secretary shall be elected by the annual conference. He shall be under the direction of the executive committee, who shall have power to suspend or dismiss him for good cause shown, and to appoint a temporary successor to act until the next conference.

VI.—Affiliation Fees and Delegates.

Every trades council shall be entitled to affiliate, and to send one delegate to the conference on paying £1 per year, and may send one additional delegate for each 10*s*. paid. Other organizations shall pay 10*s*. per annum for every 1,000 members or fraction thereof, and may send one delegate for each 1,000 members paid for.

VII.—Annual Conference.

The committee shall convene a conference of its affiliated societies in the month of February each year. Notice of all resolutions for the conference and all amendments to the rules, shall be sent to the secretary by December 1, and shall be forthwith forwarded to the affiliated organizations. Notice of amendment shall be sent to the secretary by January 15, and shall be printed on the agenda.

The above needs to be supplemented by certain financial resolutions also passed at Newcastle. These are :—

I.—That a Parliamentary Fund be formed with the object of assisting in paying the election expenses and maintenance of direct Labour representatives.

II.—That the contributions from the affiliated societies, with the exception of trades councils, be at the rate of one penny per member per annum.

III.—That the annually elected committee shall, from its number, select three to act as trustees, any two of whom, with the secretary, shall sign cheques.

IV.—(*a*) *Maintenance.*—That all members elected under the auspices of the labour representation committee be paid from the fund an equal sum not to exceed, for the present, £200 per annum.

(*b*) *Returning Officer's Expenses.*—That 25 per cent. of the net returning officer's expenses be paid to the candidates approved by the committee, and belonging to an affiliated

society contributing to this fund, so long as the total sum so expended does not exceed 25 per cent. of the parliamentary fund.

(*c*) That 5 per cent. of the annual income of the fund be transferred to the general funds of the committee, so as to pay for the working expenses of the fund and enable the committee to do more effective political work.

V.—No payments shall be made from the fund until it amounts to £2,500, except in the event of a General Election.

XXVIII

TWO ELECTION ADDRESSES OF 1903

I.—Election Address of the Social Democratic Party in the German Reichstag

Published in the *Vorwärts*, May 1, 1903. It forms the most authentic statement of what the 3,008,000 Social Democratic electors voted for on June 16, 1903. Observe that while the socialization of the means of production is only mentioned briefly at the close, the general struggle of the party against class-government, militarism, Protectionist excesses, and unconstitutional procedure inside and outside the Reichstag, is presented vividly and at length. Too much stress, however, should not be laid on the shortening of Socialistic formulæ, because their assertion by the party may be considered a matter of common knowledge, of which few German electors need now to be reminded.

Electors,

To-day the last session of the Reichstag elected in 1898 has come to a close.

While we now give back our mandate into the hands of our electors, we believe *we can with a good conscience leave them to pass judgment on our acts.*

When we published our election address in the spring of 1898, we promised to fight against injustice, oppression, and exploitation in every form, and to further progress in every way. This promise we have honourably kept.

We did what we could to atone for injustice, to pillory violence, to hinder exploitation, to lighten oppression, and to serve progress.

If we only too often failed to secure what we wished to secure, our failure was due to our slight numbers, against which our opponents had a large majority.

To progressive measures, which we thought we could support, the last five years have unfortunately contributed but little; to fresh oppression and fresh burdens upon the people, only too much.

The first Navy Bill of 1898 was followed by the second far larger one of 1900, *which also occasioned large excesses of expenditure*, and which an ever-subservient majority, led by the Centre Party,[1] voted amid the curtailment of the rights of the Reichstag. The year 1899 saw the voting of the five years' Army Bill, with an increase to the Army by over 19,000 men, and a corresponding increase of expenditure.

But in the long session, 1901–1903, the battle grew hot over the new Customs Tariff, which on the night of December 13–14, 1902, obtained a two-thirds majority, *after this majority, led by their President, had trampled law and right underfoot, and coerced the minority by employing the most iniquitous means.*

This new Customs Tariff is in our eyes a product of illegality and barbarism. Illegal in virtue of the forms under which it came into being, barbarous in virtue of the customs duties which it contains, especially those upon the absolute necessaries of life, which denote the robbing and plundering of the great majority of the nation for the benefit of a favoured minority.

On the basis of this new tariff, there remains no hope of commercial treaties favourable for the industry of Germany or for the enormous majority of the population who have to buy farm products.

Though decided partisans of a policy of commercial treaties, which facilitates the exchange of saleable articles and the materials of civilization, so far as possible, with every nation in the world, we must most decidedly oppose commercial treaties which are

[1] The Roman Catholic clerical party of Germany.

concluded on the basis of the new Customs Tariff, and injure both our commercial relations with foreign countries and the livelihood of the great mass of the population.

Electors, it is for you to decide at the coming election whether you will sanction further the policy of robbing and plundering the masses in favour of privileged classes.

But *this* is not the only question; a series of other questions are to be decided in the next five years.

In spite of the enormous military and naval armaments put forward in the last decades, *in which Germany is ahead of every State, and has capped their armaments*, and although at present the charges for the army and navy, with the expenditures connected with them, *devour well over* 1000 *million marks*[1] *a year, yet we are confronted with large new armaments and corresponding additional expenditure.*

In 1904 the Army Bill's five years expire, and *then another great Army Bill will appear. A new Navy Bill has already been announced.*

So Germany is among those chiefly responsible for the endless increase of armaments and the race between the States, under which the peoples must eventually break down.

France has for some years past already reached the limit of her capacity in men, and the sum of her taxation and debt increases beyond measure, like our own. Russia has overladen her stomach in the East, and requires time for digestion. Besides, there are her increasing financial embarrassments, the penury of her peasants, and the ferment among her own people, which make it impossible for her to think of a great war within any visible period of time.

Moreover, the prospect of a financial and social catastrophe, which a European war infallibly brings in its train, forbids any of the great States to apply the torch to the powder-barrel on peril of provoking its own ruin.

In spite of all, the German Empire continues to press them on and push them forward in the matter of armaments.

[1] *i.e.* Fifty million sterling.

Electors, this must, once and for all, end! It is for you with your million voices to hurl an "Enough!" full in the face of our governing classes.

Along with military and naval expenditure grows the expenditure for the colonies, whose development is most unsatisfactory, and whose annual cost is not far off the whole value of their commerce. Moreover, the other imperial requirements are increasing from year to year, although, in consequence of the great deficit in the imperial treasury, they, like the military and naval expenses, are violently curtailed. Thus, for example, the urgently needed increase in the allowances to military pensioners miscarried for lack of means. This deficit in the imperial treasury has arisen, although the burden of imperial indebtedness has grown between 1888—the year in which the present Emperor assumed the government—and the present, from 721 million marks to nearly 3000 million marks,[1] with an annual charge of about 100 million marks for interest; and the receipts from customs and excise since the year 1878 have risen from 235 million marks to over 900 million.

To-day it is already certain that even the increased receipts which are expected from the new Customs Tariff, and which will amount to well over 200 million marks, will not avail to cover the additional expenditure in the coming years.

A considerable raising of the taxes on beer and tobacco, and a tax on weapons, for which members of the Centre Party are especially eager, will be introduced if the new majority in the Reichstag resembles the old one.

The very classes and parties who constantly parade their patriotism and accuse us of disowning our fatherland, are extremely loth to draw on the large incomes and properties for the cost of the army and the fleet, but consider it patriotic and just to lay the most shameful burdens on the poorer

[1] *I.e.* from £36,050,000 to £150,000,000, with about £5,000,000 for annual interest.

classes, by immoderate customs duties, excise, and imposts of every sort on the absolute necessaries of life.

Electors, the very day that the propertied classes in the Empire are compelled to make up the expenses for new military and naval armaments by taxes upon income and property, those armaments will cease to be voted. The patriotism of those classes will break in pieces, and the superfluity of the armaments will be manifest.

In the separate States, too, as in the Empire, financial mishap is permanent; they no longer know how it came or how it can be induced to go. The most urgent objects of civilized life are starved rigorously; but for new armaments the wherewithal is still always to hand, or is procured as if millions were so much dirt.

Electors, if in the face of such circumstances the thread of your patience does not snap, do not wonder if you are chastised not with whips but with scorpions.

What is the condition of home politics? The most urgent reforms in the administration of justice, the most necessary social reforms, the development of factory and workshop legislation, drastic regulations to secure public health, etc., are dismissed with the reply—

"*That costs too much, and we have no money!*"

The laws of the press, of association, and of public meeting, the rights of workmen to form trade-unions and co-operative societies, the personal freedom of citizens and their wives and daughters, are treated *just as if Germany stood, not on one of the highest levels, but on a low level of civilization.*

There is but one help against it all: *Fight, and go on fighting, against all who are responsible for this incurable administration, until they are defeated.*

In particular it is the business of the working-class, which suffers worst under all these ills, to support with its full strength the Social Democratic party, in its battles against the monstrous injustice which the State and society commit daily.

Women also, especially working-women, who are still

excluded from asserting politically their human rights, have in the great questions which the election result will go to decide, *every motive for interposing on behalf of the Social Democratic candidates.*

If they cannot vote, they should agitate. To every sort of agitation, even that which misuses pulpit and priedieu, they must oppose a public interposition on behalf of their most sacred duties.

The Social Democratic party fights in order that the State and society may cease to be class-institutions through which the ruling minority keep the majority dependent on themselves, subject them, oppress them, and rob them.

Electors, up and vote!

The day of election shall be a day of judgment, a day of reckoning for your bungling gaolers ; it shall be, too, a day of victory from which a new and fairer future shall date.

Remember that by the resolutions of a reactionary majority in the Reichstag you are only summoned to the ballot-box *once in five years.* How rarely have you such a day in your life ! *Use it then :* use it so that every one of you can say with a good conscience, "*I have done my duty.*"

Electors, our opponents run about like mad people, and implore an election-cry. *We have one.*

Let your election-cry be—

Down with the present cults of the army and navy, which suck the blood of the peoples ! Let the peoples understand each other and be at peace !

Down with the ruinous fiscal and commercial policy, which injures many millions in their daily life !

Down with an excise and customs policy which oppresses the poor and favours the rich ! Down with domestic reaction, with arbitrary administration, with tutelage, with police coercion, with uncertainty of law !

Up and fight for progress in every sphere, for science and enlightenment, for freedom and emancipation from every oppression, which a class-state, class-domination, and class-legislation have

heaped on the shoulders of the hard-working majority of the people!

Our aim is the introduction of the Socialistic order in the State and society, based on the ownership of the means of production by society, and the obligation of every member of society to work. We would create civil and social conditions, in which truth, justice, impartiality, and the welfare of all are the steady guiding-star of every transaction.

Electors, let whoever of you shares these our views vote on the 16th of June for the candidates of the Social Democratic party alone.

BERLIN,
April 30, 1903.

Signed by the Social Democratic group in the Reichstag:—Albrecht, Antrick, Auer, Baudert, Bebel, Bernstein, Blos, Bock, Calwer, Cramer, Dietz, Dreesbach, Ehrhart, Von Elm, Fischer (Berlin), Fischer (Saxony), Förster, Frohme, Geck, Geyer, Dr. Gradnauer, Grünberg, Haase, Heine, Dr. Herzfeld, Hoch, Hofmann, Horn, Kaden, Klees, Kloss, Kunert, Ledebour, Meister, Metzger, Molkenbuhr, Peus, Pfannkuch, Reisshaus, Rosenow, Sachse, Schippel, Schlegel, Schmidt, Schwartz, Segitz, Seifert, Singer, Stadthagen, Stolle, Dr. Südekum, Thiele, Tutzauer, Ullrich, Von Vollmar, Wurm, Zubeil.

II.—ELECTION ADDRESS OF MR. WILL CROOKS, M.P., L.C.C.

Mr. Crooks was elected member for Woolwich on March 11, 1903. He stood as a Labour Representation Committee candidate. He had previously been for many years a member of the London County Council, of the Poplar Board of Guardians, and of the Fabian Society. He was by trade a working cooper.

At the unanimous request of the organized Trade and Labour Unions, Liberal and Radical Clubs, and Temperance

Societies of Woolwich, I offer myself as a Labour candidate for your suffrages at the impending election.

I am in favour of the National Workshop being used to its fullest capacity, before the Government admits the claim of the contractor to a share of the nation's orders, and I strongly deprecate men being thrown out of employment, and your own valuable machinery compelled to lie idle in the interest of private firms or limited companies.

The whole of my public life has been spent in strenuous advocacy of trade-union principles, and you may rely on me seizing every opportunity to obtain trade-union rates of wages and hours of labour as a minimum. I fear the recognized rates, even now, are much too low to ensure a decent livelihood for men and their families, and I am desirous of securing thirty shillings as the lowest weekly wage. It is not necessary to promise an inquiry as to whether the Government pay these rates—you know it does not in many cases.

The recent legal decision in the Taff Vale case makes it imperative that the law shall be promptly amended in order that the funds of a trade-union may not be endangered by the irresponsible action of an individual member.

I believe a sound policy towards the solution of the Housing question is that we should build houses at such rents as the poor can afford to pay. This can only be done by increased legislative facilities to the local authorities, and the whole position can be marvellously improved if our borough councils and others would use to greater advantage the powers they now possess.

My varied and intimate connection with the Poor Law and its administration has convinced me that old-age pensions are an absolute necessity for our industrial veterans, and, as you no doubt know, I am an advocate of pensions alike to men and women. I have read through the scheme for superannuation allowances to the employees of the Ordnance Factories and Stores. I had the pleasure of assisting the Poor Law workers in attaining a similar pension scheme, and they can safely rely

upon my support. At the same time, I am of opinion that they should not waive their claim on the national fund.

On education I stand for a directly elected body to deal with all grades. To workmen especially I would enforce the importance of the question. The one great hope for our children is to see that they are fully equipped for the battle of life, and this can best be obtained by extending the scholarship system to apprenticeships tenable in the finest workshops the nation possesses.

On the formation of the Technical Education Board, I secured approval of a resolution affording special facilities for technical instruction in working-class and manufacturing districts, under which I am glad to know your own Polytechnic benefits.

I am in favour of the largest possible measure of self-government being given to Ireland. I believe the Irish people are as capable of working out their own problems as we ourselves, and, legislatively, England would be a gainer by the withdrawal of unwise and irksome interference.

My policy on the unemployed question was stated clearly at the recent conference convened by the London County Council of the public bodies of London. The resolution sent by the Poplar Borough Council, and adopted by seventy-five to twenty votes, had my hearty sympathy. The borough councils, county councils, and Parliament, must alike face their responsibility promptly for its practical solution.

I shall, if elected or not, continue to further the claims of Woolwich for a subway, which I consider to be desirable in any weather, and imperative in times of frost or fog.

I want to see all markets and lands under the Union Jack honestly developed; an army in which our soldiers are treated as men deservedly sharing the glories of peace as well as the hardships of war; a navy made doubly strong by the contentment and happiness of its sailors. I should then have no fear of the defence of the Empire without dabbling in what is termed a spirited foreign policy.

Briefly I summarize the things I will strenuously work for as under:—

Direct employment.
Trade-union rates.
Temperance.
Housing the poor.
Enfranchisement of women.
Religious freedom.
Equal opportunities for our children.
Improvement of the port of London.
A Minister of Industry, with a seat in the Cabinet.
Useful organized work for the unemployed.

I am of opinion that a strong Labour party in the House of Commons, comprised of men who know the sufferings and share the aspirations of all grades of workmen, is certain to exercise greater influence for good than the academic student.

I have no desire to enter Parliament unless it be for the opportunities it may afford me of continuing and extending my life's work. If I can further the well-being of my country, by assisting in the development of a nation of self-respecting men and women, whose children shall be educated and physically and mentally fitted to face their responsibilities and duties, I shall be content.

I therefore ask those of you who believe that the greatness of our Empire rests on the happiness and prosperity of its people, to carefully consider the importance of the present election.

I shall have frequent opportunities of addressing you, and should any elector desire my opinion on points which may not be clear to him, I hope that he will not fail to question me.

XXIX

THE FUTURE

By Anatole France

From the novel: "M. Bergeret a Paris." The adhesion of Anatole France to Socialism is remarkable, because he is the lineal successor of Voltaire and Diderot, and represents a linking of the old revolutionary criticism to the new. His visions may also be suggestively compared with those in William Morris's *News from Nowhere.*

"We shall all be happy, papa."

"No. Divine pity, which is the beauty of souls, would come to an end when suffering ended. That will never be. Moral evil and physical evil, unceasingly resisted, will unceasingly share with happiness and joy the empire of the world, as the nights follow the days. Evil is necessary. Like good, it has its spring deep in nature; the one could not be dried up without the other. We are only happy because we are unhappy. Suffering is the sister of joy; the breath of these twins passes over our harp-strings and makes them sound in harmony. If happiness alone blew on them, they would give out a monotonous, tedious sound, like silence. But to the inevitable evils, to those evils at once common and august which result from the state of mankind, there shall no more be added the artificial evils, which result from the state of our society. Men will no more be deformed by an unfair labour by which they rather die than live. The slave will come out of the ergastulum, and the factory no longer eat up men's bodies by millions.

"For this deliverance I look to machinery itself. Machinery, which has crushed so many men, will come gently and generously to succour soft human flesh. Machinery, first cruel and harsh, will grow kindly propitious, friendly. How will it change its spirit? Listen. The spark which sprang from the Leyden jar, the little subtle star which manifested itself last century to the wondering physicist, will work this marvel. The unknown which has let itself be conquered without letting itself be known, the mysterious captive force, the intangible of which our hands take hold, the tame thunderbolt bottled and discharged upon the innumerable wires which cover the world with their network—electricity, will carry its strength, its succour, wherever it is needed, into the houses and rooms, to the home where father, mother, and children will be separated no more. It is no dream. The stern machinery, which shatters body and soul in the factory, will become domesticated, homely, familiar. But it is nothing—no, it is nothing that pulleys, cogs, connecting-rods, cranks, grooves, and flywheels should be humanised, if men remain iron-hearted.

"We look for, we call for, a change more wonderful still. What does the employer say to-day? That he is the thinking spirit, and that without him his army of workers would be like a body deprived of understanding. Well, if he is the mind, let this honour and joy be enough for him. Need a man glut himself with wealth because he is the mind that thinks? When the great Donatello cast a bronze statue with his companions, he was the soul of the work. The price which he received from prince or citizen he used to put in a basket which was slung up by a pulley to a beam of the workshop. Every companion untied the rope in his turn, and took from the basket according to his needs. Is there not joy enough in producing through one's understanding, and does this advantage dispense the master-worker from sharing the profit with his lowly fellow-workers? But in my republic there will no longer be profits or wages, and everything will belong to us."

"Papa, that's collectivism," said Pauline, quietly.

"The most valuable things," replied M. Bergeret, "are common to all mankind, and were always so. Air and light belong in common to everything that breathes and sees daylight. After selfishness and greed have toiled for centuries, in spite of the violent efforts which individuals have made to seize and keep treasures, the private wealth which even the richest among us enjoy is trifling in comparison with what belongs to all men without distinction. Even in our own society do you not see that the pleasantest or the most splendid properties—roads, rivers, forests that once were the king's, libraries, museums—belong to every one? No rich man possesses any more than I do this ancient oak of Fontainebleau or that picture of the Louvre. And they are more mine than the rich man's, if I know better how to enjoy them. Collective ownership, which people fear as a distant monster, surrounds us already under a thousand familiar forms. It is alarming, when you announce it; whereas the advantages which it procures are already in use."

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